





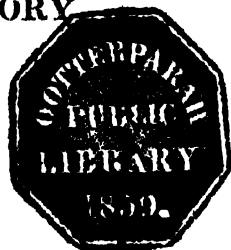








REMARKS  
ON THE  
EXTENSION OF TERRITORY  
WHICH HAS TAKEN PLACE  
IN  
INDIA,



SUBSEQUENT TO THE ACTS OF PARLIAMENT  
PASSED IN 1784, AND 1793;

*Submitted to the Consideration of Parliament, previous to  
the proposed*

RENEWAL OF THE CHARTER  
OF THE  
EAST INDIA COMPANY.

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1812



# I N D I A.

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THE approaching discussion of the Charter of the East India Company involves so many topics of importance to the interests of this Country, that the Public, it is conceived, will receive with satisfaction any statement which may serve to elucidate this interesting Question.

The reference, which has so frequently been made to transactions in India, as proving *a systematic plan of territorial acquisition, inconsistent with the policy prescribed by the act of 1793*, is calculated to mislead the judgment of many persons, generally entitled to respect and honor: this subject

appears to require explanation, and it is proposed, in this tract, to consider,

1st. The intention of the legislature in that branch of the Indian Bills, which respects “*conquest, and extension of territory in India.*”

2d. The practice of the Governments *abroad*, the orders of the government *at home*, and the *opinion* of Parliament respecting the same points, from 1784 to 1805.

3d. The *positive* enactment of Parliament upon the same points in 1800.

4th. The ultimate result of the augmentations of territory and power which have taken place in India since the year 1784, upon the strength and security of our Eastern empire, and upon the happiness and prosperity of our subjects in India.

1. The resolution passed in the House of Commons in the year 1782, and introduced into the India Act of 1784 and also into the

Act of 1793, declares that, the “pursuit of  
 “schemes of conquest and extension of do-  
 “minion in India, is repugnant to the wish,  
 “the honor, and the policy of the nation.”  
 This declaratory preamble introduces the re-  
 gulation for preventing the commencement  
 of hostilities in India, or the conclusion of  
 treaties of guarantee involving the contin-  
 gency of war, without the express command  
 and authority of the Court of Directors, or  
 of the Secret Committee.

At the period of time when this resolution  
 passed, and even when it was enacted into  
 a law, the situation of the native states of  
 India, as well as of our several tributaries  
 and dependancies, rendered it impossible to  
 suppose, that the intention of the Legisla-  
 ture could be to preclude altogether any ex-  
 tension of territory of the company, or any  
 extension of the civil and military authority  
 of the Company, over territories which we  
 were already bound by treaty, or by positive  
 interest, to defend.

The condition of the power of Tippoo Sul-

tan, of that of the Mahratta states, and of the Nizam at that period\* of time, appeared to afford just apprehension, that war might arise in India on grounds of justice and necessity, which might compel the company to seek security in a reduction of the resources and power of some of those states : and it cannot be supposed, that Parliament intended to fix the exact limits of the dominion of the Company, excluding all reference to the conduct and policy of the native states of India, to the changes of power and interest which might occur on the continent of India, or to the advantage which might be derived from the *success of our arms* in any contest in which we might be engaged in the necessary course of events.

To forbid war absolutely was impracticable, whilst we were surrounded with powerful military states, whose policy might compel us to resort to arms ; and to forbid any reduction of the resources and dominions

of any state, which we might defeat in war, or any additional strength which we might be enabled to found upon favourable conditions of peace, would not have been consistent with the wisdom of Parliament.

2. No inference can be drawn from the letter or spirit of the resolution or clause of the act to preclude the extension of the British territories in India, by *just* and *legitimate* means, unconnected with schemes of conquest and irregular ambition.

The strict construction of this principle has been repeatedly argued in Parliament; and, in both Houses, the opinion has uniformly prevailed, that the intention of the Legislature was not to prohibit absolutely, either war or extension of territory in India, if either should become necessary to our security on the principles of justice.

The resolution and the clauses in the acts referred to *preceding* transactions in India, which appeared to the Legislature to have originated in an irregular spirit of aggrandise-



ment ; and although it is certain, that unjust wars or exorbitant conquests would have been criminal, if no such principle had been expressly declared by the legislature, it cannot have been deemed superfluous to have declared the rule at a moment\* when it was supposed to have been violated, and therefore to require additional confirmation and a new sanction of authority.

3. Neither the practice of the government abroad, nor the orders of the government at home, nor the conduct of Parliament from the time of passing this resolution to the present moment, will warrant any other construction of the rule, than that which has been stated with reference to war and conquest.

4. The extension of the Company's territory, which occurred upon the result of Lord Cornwallis's war against Tippoo Sultan, under the treaty of peace in the year

1792, would otherwise have been deemed a violation of the rule prescribed by Parliament; but that war, and all its consequences, in the extension of territory, were fully approved.

The extension of territory which followed the conquest of Mysore, in 1799, would also have been condemned on similar grounds.

That conquest was the result of a just and necessary war; and the transfer of the enemy's dominions to our authority, although involving considerable extension of territory, was never deemed, for *that reason only*, to be inconsistent with the policy of the act of 1793, but was declared to be justified by the same principles which had justified the commencement of the war.

5. In the year 1789,\* Lord Cornwallis, under the treaty of 1768, with the Nizam, obtained the cession of the Guntoor district

\* Vide Lord Cornwallis's letter of the 7th July, 1789.

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5. In the year 1789,\* Lord Cornwallis, under the treaty of 1768, with the Nizam, obtained the cession of the Guntoor district

\* Vide Lord Cornwallis's letter of the 7th July, 1789.

to the Company. This transaction, *as a mere accession of territory*, would have been *censurable* upon the doctrine now maintained, but it was *approved* under the circumstances of the case.

The same observation applies to the arrangement concluded with the Rajah of Benares, in 1795, by Mr. Duncan, under the orders of Lord Teignmouth, by which arrangement the Company's authority was *extended* over the province of Benares.

6. The state of the Carnatic, of Oude, and of other possessions of our tributaries and dependants, had long\* been a subject of complaint and alarm. The Company had, in fact, supported these tributaries in their respective countries, and they owed the existence of their power, and must have owed the continuance of it entirely to the Company's assistance.

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\* 1784 and 1793.

The administration of these countries was grossly abusive and *injurious* to the *welfare* and *happiness* of the *inhabitants*, and to the prosperity of the country. Internal disorder, and external weakness, accompanied by a rapid decay of the resources of these states, were the consequences of these evils.

The Company was bound by positive interest, and in many cases by treaty, to protect and defend these states, and was entitled to derive the means of defending them from the resources of the same countries. But under the mismanagement and corruption of the native governments, the means of supplying the defence of the country were declining, while the people suffered the utmost extremity of misery.

To extend the authority of the Company over these countries, would in fact prove *no extension of territory*, weakening the line, or impairing the means of our general defence ; but an *augmentation of power* within territories, *which we were already bound to defend*. Such an augmentation of power, so far from

weakening, would tend greatly to secure and consolidate the strength of our empire in the East. Nor is it rational to suppose that our means of protecting these countries could be diminished by the introduction of the civil and military authority of the Company into their respective governments.

It is evident, that the opinion of the *government at home* has uniformly been, that the Company, *was bound* to provide effectually for the good government of the possessions of our tributaries and dependants, and *even to interfere directly* for that purpose in cases of exigency.

7. The extension of the Company's authority over the Carnatic, was always considered as a measure essential to our security in the event of war; the Carnatic was accordingly *assumed*, both by Lord Macartney and Lord Cornwallis in time of war; and the *assumption* of the Carnatic in time of war, afterwards, became a formal article of treaty, concluded by Lord Cornwallis with the Nabob, in 1792.

8. In the short war of 1799, Lord Wellesley did not assume the Carnatic, as he might have done under that article. But in expectation that he would have assumed it, he received orders\* from the Secret† Com-

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\* Vide printed papers relative to the arrangements in the Carnatic.

† It is usual every year to transmit from the India House to the Governor General in Council, an order to the following effect :

“ Having appointed (                      ) during the present  
 “ direction, to be a Secret Committee, agreeable to, and  
 “ for the purposes stated in the acts of the 24th, 26th  
 “ and 33d of his present Majesty, we, (meaning the  
 “ Court of Directors,) hereby direct, that all *orders*  
 “ and *instructions*, which you shall receive from our  
 “ said Secret Committee, be *observed* and *obeyed* with the  
 “ *same punctuality* and *exactness*, as though they had been  
 “ signed by *thirteen* or more members of the Court of  
 “ Directors, conformably to the said acts.”

Notwithstanding this positive order, the Court of Directors, during the discussion of the Oude and Carnatic questions, pretended to be ignorant of the existence of the orders of their Secret Committee regarding those transactions, and at all events, *not to be bound* by the acts of the Secret Committee. The government of India



mittee, *not to restore it to the Nabob*, until a new arrangement for its government should be concluded.

It is therefore evident, that the extension of the Company's authority over those territories of our dependants or subsidiary tributaries, which we were bound by treaty or interest to defend, has not hitherto been deemed repugnant either to law or good policy.

9. With the Nabob of the Carnatic, and with the Rajah of Tanjore, subsidiary

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ought to be relieved from this contradiction ; if they refuse to obey the **SECRET COMMITTEE**, they are guilty of a violation of the law, and of disobedience of orders ; on the other hand, the *approbation* of the **SECRET COMMITTEE**, (at least in the case of Lord Wellesley,) was not any security against the *censure* of the **COURT OF DIRECTORS**. It is hoped, that Parliament will not only rectify this absurdity, but will also fix a due share of responsibility on the Court of Directors, who are now without any. This point demands the *most serious attention*, and ought to be fully considered on the renewal of the charter.

engagements were concluded by Lord Cornwallis in 1792, which eventually stipulated for a considerable *extension* of the authority of the Company over the territory of those princes, in the contingency of ultimate failure in the regular payment of the subsidy. But it never was contended, that in the event of such failure, it would have been inconsistent with the policy of the Act of 1793, to have insisted upon the rights of the Company to demand the execution of those articles of the respective subsidiary treaties, which, either in direct terms or by manifest, implication, entitled the Company to an extension of territory in commutation of the subsidiary payments.

10. The following extracts from the Act\* of 28th July, 1800, will explain the opinion of the Legislature upon this subject at that time :

“ Clause 1. Whereas the territorial pos-

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\* 39 and 40 George III. cap. 79.

“ sessions of the United Company of Mer-  
 “ chants of England, trading to the East  
 “ Indies in the peninsula of India, *have*  
 “ *become so much extended* as to require  
 “ further regulations to be made for the due  
 “ government of the same.”\* “ And whereas  
 “ the *province or district of Benares has*  
 “ *been ceded to the said United Company,*  
 “ *and been annexed* to the said Presidency of  
 “ Fort William in Bengal, since the establish-  
 “ ment of the said Supreme Court of Judica-  
 “ ture at Fort William aforesaid; and it is  
 “ expedient that the same should be subject  
 “ to the jurisdiction of the said Court, in like  
 “ manner as the kingdoms or provinces of  
 “ Bengal, Bahar, and Orissa; and that the  
 “ said province or district, and *all other pro-*  
 “ *vinces or districts, which may hereafter be*  
 “ *at any time annexed* and made subject to  
 “ the said presidency, should be subject to  
 “ such regulations as the Governor General  
 “ and Council of Fort William aforesaid have  
 “ framed, or may frame, for the better

“administration of justice, among the  
 “native inhabitants and others within the  
 “same respectively: be it therefore further  
 “enacted, that from and after the first day  
 “of March, which will be in the year of our  
 “Lord one thousand eight hundred and one,  
 “the power and authority of the said  
 “Supreme Court of Judicature, in and for  
 “the said Presidency of Fort William afore-  
 “said, as now and by virtue of this Act  
 “established, and all such regulations as  
 “have been or may be hereafter, according  
 “to the powers and authorities, and subject  
 “to the provision and restrictions, before  
 “enacted, framed, and provided, shall ex-  
 “tend to and over the said province or dis-  
 “trict of Benares, and to and over all the  
 “factories, districts, and places which now  
 “are, or hereafter shall be made subordinate  
 “thereto, *and to and over all such provinces*  
 “*and districts as may at any time hereafter*  
 “*be annexed and made subject to the said*  
 “*Presidency of Fort William aforesaid.*”

These extracts must be considered to afford  
 a clear sanction of such extensions of terri-

tory as *had been* notified to the government at home at that time, and furnish a clear exposition of the *intention* of the Legislature by the Acts of 1784 and 1793. If those Acts had been intended to constitute positive prohibitions of any extension of the Company's territory in India, the preamble of the Act of the 28th July 1800, would have been improper : it is evident from the words of this preamble, that the Legislature *admitted* the *propriety* of extending the Company's territory in India under certain circumstances, and in certain cases, notwithstanding the declaration of the law concerning "schemes of conquest and extension of "dominion."

The words\* employed in the latter part of these extracts also afford a further explanation of the intention of the Legislature respecting any extension of territory which might ~~accrue~~ *subsequently* to the passing of this Act in 1800. So far from considering any such extension of territory to be illegal, the Act of the 28th of July 1800 expressly

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\* "All other provinces or districts which may, here-

supposes the case, that *other provinces and districts may hereafter be annexed* and made subject to Bengal, and provides for the good government of such new acquisitions. In fact, a part of the cessions from Oude was annexed to the district of Benares, and the remaining cessions from Oude, together with the cessions from the Mahrattas, were formed into another district. The whole was annexed to the Presidency of Bengal, and brought under the jurisdiction of the Supreme Court, by the operation of this Act.

11. The Company on various occasions, *with the authority* of His Majesty, had expressed great anxiety to commute the subsidies of the Carnatic and of Tanjore for adequate territorial security. It would be absurd to represent such a commutation as in any degree repugnant to the wish, the honour, or the policy of the nation, or to the spirit of the acts of regulation.

On Lord Wellesley's arrival in India, in April 1798, he endeavoured, in conformity to his *original* instructions from the Court of Directors, to obtain a commutation of

this nature in the Carnatic. 'It is unnecessary to state the repeated and anxious efforts which Lord Wellesley made to effect this object, or to observe, that in pursuing it, Lord Wellesley followed the steps of Lord Hobart's government, which had proceeded also under the commands of the Court of Directors.

Lord Hobart and Lord Wellesley were equally unsuccessful, but their efforts have received the most unequivocal testimonies of official approbation; nor was an attempt hazarded to represent their endeavours for the improvement of the subsisting subsidiary engagements of the Company in the Carnatic as a systematic violation of the Act of 1793, although the *success* of those endeavours must have been accompanied by an *extension* of the civil and military authority of the Company over territory, not at that time subject to either.

12. In the settlement of Mysore, upon concluding subsidiary engagements with the Rajah of Mysore, Lord Wellesley declared to the Court of Directors in 1799, that his express purpose was to facilitate the direct

control of the Company over the whole territory of Mysore, with a view to the more effectual security of the subsidy, and the good government of the country. In fact, the territory governed in the name of the Rajah, was actually annexed to the Company's dominion by that article of the subsidiary treaty of Seringapatam, which empowers\* the Company, at any time, to assume the direct management of the whole country. But this treaty has not in Parliament been quoted to prove the existence of a *systematic* plan of territorial acquisition, inconsistent with the policy of the Act of 1793.

13. In Tanjore, a commutation of subsidy was effected in 1800, founded on the spirit of the Governor General's *original* instructions respecting the Carnatic; and accordingly the territory of Tanjore was subjected to the Company's authority.

14. At the termination of the war with Tippoo Sultan (while *hostilities still conti-*

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The actual condition of the Mysore territory is the best practical proof of the benefits of this arrangement. See Colonel Wilkes's able report on Mysore.



*nued* in various provinces of Mysore), in the year 1800, a new treaty of subsidy was formed with the Nizam: adverting to the former policy pursued by the Company since the act of 1793, to the tenor of the Governor General's instructions respecting the Carnatic, and to the experience of the evils resulting from the existing systems of subsidy in Oude and the Carnatic, Lord Wellesley framed the subsidiary treaty with the Nizam, upon the principle of obtaining *territorial security* for the payment of the subsidy, instead of depending for the safety of those funds, on the precarious power and imperfect administration of an Indian government.— Can it be supposed, that such an arrangement was precluded by law, especially as the *government at home* was fully\* apprised of the whole transaction?

\* The acts of 1784 and 1793, only preclude the conclusion of treaties of guarantee, (*involving the contingency of war*) ~~without~~ the authority of the government at home. In this case the government at home was not only apprised of this transaction, but hostilities still continued in various parts of Mysore. In fact, this treaty with the Nizam in 1800, was merely an *improvement* of our *existing* engagements with that chieftain.

15. The treaties of Surat, and the treaties with the Guickwar, were founded on similar principles with those of Tanjore and Hydrabad, *substituting* territorial security for an engagement to pay the amount of the subsidy from the Treasury of the State. The right to conclude a subsidiary engagement with the Guickwar, was derived from that stipulation of the treaty of Salbye, which constitutes the Company to be the guarantee of the succession and government of the Guickwar state.

16. The new subsidiary treaty concluded with the Nabob of Oude, in November 1801, rested on the same foundations, and effected a *commutation* of all the Nabob Vizier's engagements with respect to subsidy, and aid in war for a cession of territory.

17. The treaty of Bassein (concluded with the Peishwah) proceeds on the same basis. In *renewing* the ancient alliance between the Peishwah and the Company, it cemented that alliance by a subsidiary engagement,

and by a territorial cession, formed upon the *improved* plan of policy *repeatedly sanctioned* by the authority of His Majesty, and of the East India Company, and already effected, with other dependant states, in preference to that *defective scheme* of *subsidiary alliance*, which had produced *innumerable evils* in various parts of our dependancies in India ; which for *many years* had constituted an *annual theme* of *lamentation* for all the governments in India, and for the Honourable court of Directors; and the policy of which appeared to have been *exploded* by the deliberate wisdom and long experience of that body.

The whole course of the negotiations at Poonah, from the year 1798 to the conclusion of the treaty of Bassein, was regularly submitted to the Secret Committee.

18. The transfer of the civil and military government of the Carnatic to the Company (in 1801); was warranted by the justice and necessity of that proceeding, founded upon the forfeiture incurred by Mahommed Ali, and Omdut ul Omrah, and upon the dangers which menaced the security of the

Company's rights on the coast of Coromandel, in consequence of their treachery. The justification of this proceeding rests upon principles similar to those, by which war is justifiable against any public enemy; and the extension of authority which accompanied the prosecution of a *just* and *legitimate public right*, cannot be condemned upon any principles correctly derived from the Act of 1793.

In prosecuting the just rights of the Company against the Nabob of the Carnatic, Lord Wellesley resorted to his *original* instructions from England respecting the Carnatic; and he framed the new settlement with reference to the *acknowledged expediency* of effecting a commutation of the subsidy for territorial security, and of rescuing the Carnatic from the evils of *divided government* and conflicting power, by establishing over that province **ONE DISTINCT AUTHORITY** in the hands of the Company, with liberal provision for the Nabob and his family. It is impossible to comprehend the application of the Act of 1793, to any part of this transaction.

19. The acquisitions of territory which were accomplished in India during Lord Wellesley's administration, proceeded, either from the successful prosecution of *war* ; or in *forfeiture* in consequence of the violation of dependant alliances ; or, lastly, from the *improvement* of existing, or the *formation* of *new* treaties of subsidy and guarantee. The *first* description includes those provinces and possessions of Tippoo Sultan, retained by the Company under the partition treaty of Mysore,\* together with the conquests made from Scindia and the Rajah of Berar, at the termination of the late Mahratta war. The *second* description consists of the possessions of Omdut ul Omrah in the Carnatic ; and the *last* comprehends the territories *commuted* for subsidy by the Rajah of Tanjore, by the Nizam, and by the Nabob of Oude, and the territories *ceded* in *payment* of *subsidy* by the Nabob of Surat, by the *Marathas*, and ultimately by the Peishwah,

The records of the Company will furnish sufficient evidence, that every extension of territory acquired under each of these classes, originated in principles, not only strictly conformable to the Act of 1793, but to the general maxims of justice and policy applicable to our Indian empire.

No extension of territory has been acquired otherwise than by the prosecution of a JUST and NECESSARY WAR, or of JUST and LEGITIMATE PUBLIC RIGHT: the result of these acquisitions has not involved the necessity of defending any territory, which had not *previously* furnished increased means of offensive war to our enemies, or which we were not *previously* bound to defend, either by the obligation of positive treaty, or of our own manifest interest.

Our *means of defence* in every case are now *greatly augmented* by the annexation of the civil and military government of the territories from which we derive the military resources, applicable to defray the charge of their respective protection and security.

The result of the whole progress of these wars and negotiations will appear to be nearly conformable to the following statement.

1. The limits of the Company's civil and military authority have been considerably extended since the year 1784.

2. The principles of these successive extensions of power have been conformable to justice and good policy, and regularly brought under the consideration of the authorities at home; and sanctioned, either by direct law, or by *orders* from the Government in England, or by long acquiescence in the arrangements effected in India.

3. The magnitude of our empire in India has been increased by these events; but its *strength* and *resources* have also been *greatly* *increased*; our frontier in every quarter is *improved*; our internal government invigorated, and the means of defence considerably augmented.

LETTER  
FROM THE  
MARQUIS WELLESLEY,

&c. &c. &c.





**LETTER**  
**FROM THE**  
**MARQUIS WELLESLEY,**  
**GOVERNOR GENERAL OF INDIA,**  
**TO THE**  
**COURT OF DIRECTORS**  
**OF THE**  
**EAST INDIA COMPANY,**  
**ON THE**  
**TRADE OF INDIA,**  
**DATED**  
*Fort William, 30th September, 1800.*

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**1812**



## PREFACE.

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THE accompanying letter from the MARQUIS WELLESLEY to the COURT OF DIRECTORS, on the PRIVATE TRADE of INDIA, was published in 1801. The Court of Directors, it is true, appeared to consider, “ that from  
“ the various important events which had  
“ occurred during the short period of Lord  
“ Wellesley’s Government, and the application of his mind to other studies, he,  
“ though acquainted with the general principles of commercial policy, for which  
“ the COURT *also* maintain a *liberal regard*,  
“ had not been able perhaps to contemplate  
“ the effects of the proposed changes in a  
“ commercial country like England, with  
“ the lights which the position, mercantile  
“ experience, and habits of the members  
“ of the Court of Directors reflect upon it.”

The late LORD MELVILLE, however, declared that LORD WELLESLEY's letter of the 30th September 1800, " had with clearness  
 " and perspicuity, *ably detailed*, and, (in  
 " Lord Melville's judgment) *demonstrated*  
 " the grounds of those opinions, which he  
 " (Lord Melville) had from time to time  
 " taken the liberty of laying before the Court  
 " of Directors upon the subject of *Indian*  
 " *Trade*."

The publisher trusts, that he renders an acceptable service to all those Persons, (both in and out of Parliament,) who feel an interest in the RENEWAL of the COMPANY'S CHARTER, by offering to their perusal a document, which, at this moment of time, cannot fail to excite many useful reflections.

# LETTER

FROM THE

MARQUIS WELLESLEY,

&c. &c. &c.



HONOURABLE SIRS,

1. HAVING deemed it to be my duty to revert, during the present season, to my plan of the 5th October 1798, for the encouragement of the private trade between India and the port of London, I now have the honour to submit to your honourable court, a view of the urgent considerations which have determined me to adopt this temporary arrangement for the current year ; and to add the reasons which induce me to hope, that your honourable court will speedily confirm my proceedings, by a permanent

system of regulation founded on similar principles.

2. Your orders of the 25th of May 1798, were not received by the governor-general in council until the 29th of October in that year, when the arrangement for the private tonnage of the season of 1798-9 had already been published, and several ships and cargoes had been already provided, according to the terms of the advertisement of the 5th of October 1798. Under such circumstances, it would neither have been just nor expedient to have disturbed that arrangement; but my dispatches in council of the 1st of March, and my separate letter of the 9th of March 1800, will have apprized your honourable court, that I had considered it to be my duty to adhere strictly, in the year 1799-1800, to your orders of the 25th of May 1798; and that, in deference to your authority, I had suspended for the season 1799-1800, the operation of the plan contained in the advertisement of the 5th of October 1798, although my conviction remained unaltered with regard to the expediency and justice of that plan.

3. I entertained a confident expectation, that I should have received, at an early period of the season, the sanction of your honourable court, for reverting to the plan of October 1798, or for adopting some arrangement equally calculated to facilitate and *encourage* the private trade between India and England; and my letter in council of the 1st of March, as well as my separate letter to your honourable court, of the 9th of March 1800, will have satisfied you of my disposition to await your final determination on this important subject, and to avoid even a temporary departure, without your direct authority, from your orders of the 25th of May 1798.

4. But I have been disappointed in my expectation of receiving an early and seasonable notification of your final commands; and the usual season for exportation from this port to Europe is already opening, under such circumstances as absolutely *compel* me to adopt a resolution, which my duty and inclination would have induced me to delay.

5. In the dispatch from the governor-



general in council to your honourable court, dated the 13th instant, I had the honour to submit to you a statement of the intended distribution in India of the tonnage provided by you, for conveying the Company's investments of Bengal, Fort St. George, and Bombay, and those of Ceylon and Fort Marlborough, to England, in the season of 1800-1.

6. From that statement, your honourable court will observe, that the expected amount of the tonnage of 1800-1 is inadequate to the demand in India, and that a large proportion of the gruff goods belonging to the Company at this presidency, and nearly the whole of the private goods,\* for which the Company is *bound by law* to furnish tonnage, cannot be shipped during the season 1800-1

\* The whole of the private goods of this season must be shipped in Indian shipping, with the exception of a small proportion of light goods, which may be employed to assort the cargoes of the extra ships.

N. B. This and the following notes to this letter are inserted by the governor-general himself in the original

for England, unless ships built in India shall be employed between this port and that of London.

7. The employment of ships built in India between this port and that of London, is therefore no longer merely a question of expediency, or of liberal commercial policy. The deficiency in the tonnage expected from Europe reduces me to the absolute necessity of providing a large proportion of Indian tonnage for the service of the present season, in order to secure the conveyance of the heavy articles of your investment, and to fulfil your *legal* obligations. The only question on which I retain the power of exercising a free judgment with relation to this subject, is confined to the mode of obtaining the necessary tonnage for these indispensable purposes.

8. In forming my decision on this question, it was also necessary to consider what provision should be made for the conveyance to the port of London of such goods as might be provided during the current season, by private British merchants resident in India, beyond the amount of the statu-

able tonnage of 3000 tons, and by what regulation the exportation of such goods should be governed. The importance and urgency of both these considerations were greatly enhanced by the actual state of the foreign trade of this port.

9. The nature of the case appeared to me to limit my decision to an option between the regulation observed in the season 1799-1800 (conformably to the orders of your honourable court of the 25th May 1798) and the plan contained in the advertisement published by the board of trade, under my orders, on the 5th of October 1798.

10. I have carefully compared the principles, objects, policy, and practical operation of both systems; and I have now the honour to lay before your honourable court the result of that comparison.

11. The orders of your honourable court of the 25th of May 1798, were framed with a view of facilitating and encouraging the private trade between India and England. The primary objects of those orders were, to protect the merchants, not being proprietors of ships, against any un-

due enhancement of the price of freight by the proprietors of ships, and to prevent persons, being proprietors of ships, and also merchants, from trading to greater advantage than such merchants as might not unite both capacities.

12. From the dispatches of the governor-general in council, dated the 1st March 1800, and from the correspondence to which those dispatches refer, your honourable court will have observed, that your order of the 25th May 1798, was considered by the merchants, for whose benefit it was intended, (particularly by the proprietors of heavy goods) to be *extremely prejudicial* to their interest.

13. Those orders were received with *equal dissatisfaction* by the proprietors of ships, who manifested the greatest reluctance to let their ships unconditionally to the Company, although the rate of freight allowed for the ships was comparatively high.

14. The same correspondence affords abundant evidence, that the proprietors of ships, and the freighters (possessing no property in ships) considered it to be for their

mutual advantage, that they should be left to make their arrangements with each other ; both parties appearing equally *adverse* to the *intervention* of the company's agency

15. Under the plan contained in the advertisement of the 5th October 1798, the proprietors of ships were enabled to make a more perfect assortment of the cargoes, to load their ships in the most advantageous and expeditious manner, to dispatch them at the most *favourable* periods of the season, and to prevent the loss which (under the plan adopted in conformity to your orders of the 25th May 1798,) the proprietors of ships sustain, by unavoidable delays in the adjustment of accounts, and in the payment of the freight by the Company in England.

16. The proprietors of ships were enabled, under the plan of October 1798, to afford the freight at a *reduced* rate, at the same time that they derived a *greater* profit on that rate than on the higher rates of freight fixed by the governor-general in council in 1799-1800, in conformity to your orders of the 25th May 1798.

17. To the merchant who is not pro-

prietor of a ship, the plan contained in the advertisement of the 5th October 1798, affords the most important advantages; he obtains a considerable *reduction* in the rate of freight; he is enabled to settle his engagements with the proprietor of the ship, previously to the purchase of goods; to purchase such goods as may be advantageously invested under the existing rates of freight; and to regulate every consignment and draft, according to the quantity of the tonnage engaged, to the period of dispatching the goods from India, and to that of their expected arrival in England.

18. The merchant is embarrassed, if compelled, *under any modification*, to depend on the Company for tonnage, for the arrangement of the rates of freight, or for the distribution of the cargo: he can neither be secure of the requisite quantity of tonnage, nor of the time of dispatching his goods from India, nor of the ship on which they may be laden, nor of the mode in which they may be distributed; and his trade is burthened with an expensive rate of freight,

which deprives him of all reasonable [expectation of profit.

19. The quantity of tonnage (exclusive of the goods sent in the privileges of the commanders and officers of ships) annually occupied by private goods shipped from this presidency alone, in the several years elapsed subsequent to the act of parliament in 1793, is stated in the following account :

					Tons.
1791-5	-	-	-	-	2,473
1795-6	-	-	-	-	5,316
1796-7	-	-	-	-	4,659
1797-8	-	-	-	-	3,787
1798-9	-	-	-	-	6,223
1799-1800	-	-	-	-	7,748

20. The correspondence of the board of trade with the governor-general in council, on the subject of the provision of tonnage, has been submitted to the consideration of your honourable court. The reports of that board, with the documents annexed to them, afford abundant proof, that a much *larger quantity of private* goods would have been shipped for England during the seasons enumerated in the preceding account, (particu-

larly during the year 1799-1800), if ADEQUATE ENCOURAGEMENT had been extended to the navigation and commerce of your dominions, in *ships built* in the *ports* of India ; and if the British merchants resident in India had been assured of *permanent indulgence* to their trade with the port of London.

21. Upon an average of the six years specified in the preceding account, about 5000 tons of private goods from Bengal *alone* were annually exported, to England ; the amount, therefore, of the private goods exported from Bengal alone, during that period of time, has exceeded, by 2000 tons annually, the amount of the tonnage *allotted by law* for all India. It is to be observed that a considerable portion of the total amount of these 5000 tons was annually furnished by ships *built* in India.

22. Exclusively of two ships recently engaged and provided with cargoes, to the amount of 1500 tons, the port of Calcutta now contains above 10,000 tons of shipping built in India, of a description calculated for the conveyance of cargoes to England.



This tonnage has already been tendered, and is actually at command for that purpose.

23. From the preceding statement, and from the correspondence of the governor-general in council with the board of trade, it is evident, that the wise policy which dictated the clauses of the act of parliament, passed in 1793, with respect to the trade of private merchants between India and England, has been to a great degree frustrated by the insufficiency of the tonnage *furnished* from England, and by the unavoidable expense and inconvenience attending the terms and manner of its provision.

24. From the quantity of private tonnage now at command in the port of Calcutta, from the state of perfection which the art of ship-building has already attained in Bengal (promising a still more rapid progress, and supported by abundant and increasing supplies of timber\*), it is certain that this port will always be able to furnish

\* Large and thriving plantations of teak have been made in Bengal, and the cultivation of that timber is spreading over the whole province.

tonnage, to whatever extent may be required, for conveying to the port of London the trade of the private British merchants of Bengal.

25. The considerable amount of tonnage occupied by private goods from Bengal in the years 1795-6, 1798-9, and 1799-1800, compared with the amount occupied by goods of a similar description in the years 1794-5, 1796-7, and 1797-8, affords a satisfactory proof, that the permission granted to individuals of providing their own tonnage, was equally favourable to the interest of the proprietors, and to that of the freighters of the ships.

26. This conclusion is not affected by the large quantity of goods shipped in 1799-1800, under the arrangement made in conformity to your orders of the 25th May 1798; for it is well known, that under a confident expectation of enjoying the continual advantages of the plan of 1798, the merchants had considerably extended their provision of goods for the European markets. Many from necessity, others from motives of respect to the laws, shipped their goods on the ton-

nage provided by the government, while others disposed of their goods to the *numerous foreign agents* then employed in the port of Calcutta.

27. The quantity of private goods shipped for England in 1799-1800, affords therefore, an incontrovertible proof of the eagerness and alacrity with which the British merchants, resident in Bengal, provided goods, with a view to embrace the expected opportunity of conveying their trade to London on terms of advantage; but no argument can justly be drawn from the same circumstance, to prove that the continuance of the regulations adopted in 1799-1800, would afford adequate encouragement to the private trade between India and England.

28. The preceding considerations satisfied me, that the plan of hiring ships on the part of the Company, and of *re-letting* them to the proprietors of ships, leaving the proprietors of ships and the merchants at liberty to settle the terms of freight, is more advantageous both to the proprietors and freighters of ships, than the arrangement adopted under your orders of the 25th of May 1798.

29. In your letter of the 25th May 1798, your honourable court appears to have intimated an opinion, that persons uniting the capacities of proprietors and freighters of ships, may trade from Bengal to the port of London, to greater advantage than merchants possessing no property in ships. It appears to me, that the difference between the actual charge incurred by merchants, being proprietors of ships, on account of the freight of their goods sent to England in their own ships, and the rate of freight paid by merchants not being proprietors of ships, cannot be deemed a profit derived by the proprietor of a ship on his goods. No person will employ any part of his capital in the purchase of property in ships, without the prospect of deriving an adequate profit on the capital so invested. I am satisfied, that it would not be practicable for the proprietors of ships in this port to maintain an effectual combination for the establishment of enhanced rates of freight. Unless such a combination should be maintained, it is to be presumed, that the profits of the proprietors of ships on their capitals invested

in ships, will never exceed, on an average, a reasonable advantage on the amount of those capitals, after defraying all the expenses of their ships. This profit must, therefore, be deemed entirely distinct from the profit which the proprietors of ships may derive on their goods conveyed to England in their own ships, and consequently, the proprietors of ships cannot be supposed to possess, in the general course and conduct of their trade, in the purchase, transportation, or sale of their goods, any material advantage over merchants who are not proprietors of ships.

30. Various additional arguments, involving consequences of a more complicated and comprehensive description, appeared to me to demand, not only that I should recur, without delay, to the plan of the 5th of October 1798, but that I should respectfully represent to your honourable court, in the most distinct terms, my decided and conscientious conviction, that the *permanent establishment* of a *systematic intercourse* between the ports of India and that of London, regulated by principles similar to those adopted by this government in October 1798, is become in-

dispensable to the united and inseparable interests of the Company and of the NATION in India.

31. Under the beneficial influence of the British government in India, combined with the increased demand, both in Europe and in America, for Indian commodities, the produce and manufactures of the British territories in India have *increased* to an extent far *exceeding* the amount, which the capital applicable to the purchase of the *Company's investment* can embrace.

32. The wise policy, the just pretensions, and the increasing commercial resources and political power of Great Britain in India, claim for *her subjects* the largest attainable share in the valuable and extensive commerce of such articles of Indian produce and manufacture, as are necessarily excluded from the Company's investment.

33. A large proportion of this valuable trade is already in the possession of FOREIGN NATIONS; and, unless means be immediately adopted for depriving those nations of the *undue share* which they have obtained in that trade, the most *serious consequences* are to

be apprehended to the combined interests of the English East-India Company, and of the British Nation.

34. In the letter of the governor-general in council of the 1st March 1800, I stated to your honourable court, that the British merchants at this presidency, not having obtained the expected permission to freight their ships to the port of London in the last year, agreeably to the plan adopted in October 1798, goods to a large amount, originally intended for the port of London, had been sold to *foreigners* in the port of Calcutta, and thus diverted to the channel of the *foreign* trade. At the same time, I transmitted a list of the foreign ships, which either had sailed, or were preparing to sail from the port of Calcutta to Europe and America, in the season 1799-1800.

35. The nature and extent of that trade have since undergone a particular investigation. From the accompanying statements, your honourable court will observe, that the trade of America and Portugal with the port of Calcutta *alone*, in 1799-1800, amounted,

In Imports - - - Sicca Rupees 8,181,005\*

In Exports - - - - - 7,130,732†

being an increase in 1799-1800, of the trade carried on in ships bearing American and Portuguese colours, compared with the average of that trade in the three preceding years,

In Imports - - - Sicca Rupees 6,398,678‡

In Exports - - - - - 4,392,768§

36. On the other hand, the imports of the British subjects in the year 1799-1800, amounted only to 4,787,101 Sicca rupees,¶ and the exports to 6,766,649.||

37. Of the trade carried on in foreign bottoms with the other ports in India from Europe and America, I possess no sufficiently accurate information. It is, however, known to be conducted on a very *extensive* scale.

38. In the present season, the trade conveyed in foreign bottoms, if left unrestrained,

\* 1,022,623l. † 891,296l. ‡ 7,99,534l. § 549,096l.

¶ 599,637l. || 845,581l.



promises to *increase* beyond even the rapid progress of last year. From the accompanying statement, your honourable court will observe, that the port of Calcutta, at this early period of the season, contains about 8,500 tons of shipping, under American, Portuguese, and Danish colours.

39. I possess no means of forming an accurate estimate of that proportion of the foreign trade from India to Europe, and to America, which is supported by capital actually belonging to the nations, under whose flags the ships are navigated.

40. It appears, however, from the statements prepared by the reporter of external commerce, that less than *one-fourth* of the funds imported by the Americans in 1799-1800, for the purchase of their investments, was brought from America. Of the bullion, 200,000*l.* was imported from London, and the remainder from other parts of Europe, and from the Island of Madeira. I have not been able to ascertain the proportion of British capital employed in the trade between India and Portugal. Admitting the whole capital employed in the foreign

trade with India to belong to the nations under whose flags the ships are navigated, the *undue* proportion which they have obtained of that trade, to the injury of the British merchants, demands the most serious attention.

41. The trade conveyed in the foreign ships is conducted with all the advantages of a comparatively low rate of freight, of strict economy in the management of the concern, and of voyages and returns of extraordinary expedition and celerity. The voyage from America to Calcutta, is frequently performed in *less than four* months. In the last season, several American ships disposed of their imports, purchased their cargo for exportation, and left the port within twenty-five, and some within twenty days from the date of their arrival.

42. Under all the *existing impediments*, and under the uncertainty which has hitherto *embarrassed* the trade of the *British* merchants in India, it is *impossible* that his goods can reach the markets of the continent of Europe, through the channel of the public sales in England, at so low a price as the

goods conveyed directly from India to the same markets in foreign bottoms. The Company's sales in England must necessarily be affected by the quantity of Indian goods passing into the markets of the continent of Europe, through the channel of the foreign trade; and the profits of the private British merchant, whose goods are disposed of at the Company's sales, must be proportionably diminished.

43. Although the voyage by which the produce of India is conveyed in foreign ships to Europe may occasionally be circuitous, the superior advantages enumerated in the preceding paragraphs, enabled the proprietors of the goods to dispose of them at a *lower* price, than that for which the same descriptions of goods can be brought to the continental markets of Europe, if exported from India by British merchants, under the heavy freight, and\* other incumbrances to which their trade is at present subject.

\* The Portuguese and Americans pay only one per cent. on Indian produce imported and re-exported, by the warehousing act lately passed in Great Britain. Calicoes

44. It must ever be impracticable, if it were justifiable or politic, by any restrictions or penalties on the trade of the British subjects, to prevent the increasing produce and manufactures of India from being conveyed to the markets in Europe, where a demand for such articles shall exist. Such restrictions tend to *throw the trade* into the hands of *foreign nations*, and to enable them to supply the markets of Europe, on terms which must equally affect the Company's sales in England. If the same goods which now pass to the continent of Europe through foreign hands, were brought to the Company's sales in England, the effect on the general price of articles exposed to sale at the Company's warehouses would be less prejudicial, than that now experienced from the sale of those goods in the markets on the continent

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pay  $2\frac{1}{2}$ , muslin  $7\frac{1}{2}$  per cent. on the sales, if sold for exportation; all other goods (excepting cotton, spices, bullion, &c. diamonds, precious stones, which pay no duties,) pay two per cent. exclusive of the convoy duty, payable by the importers. A reduction of those duties in England is absolutely necessary to complete the system of drawing the private trade of India to the port of London.

of Europe. The Company and the private British merchants would equally feel the advantage in the improvement of the general sales in England; and the *private trade* of India would become a *fertile source* of WEALTH and STRENGTH to the British nation, instead of contributing to the OPULENCE and AGGRANDIZEMENT of FOREIGN powers.

45. The interests of the Company and of the British nation are UNDIVIDED and INSEPARABLE, with relation to this important question. Every principle of justice and policy demands the *extension* of the utmost practicable facility to the British merchants in India, for the export from India to the port of London, of the largest possible proportion of the manufactures and produce of India, not required for the Company's investment. Such advantageous terms of freight, and such other benefits should be *opened* to the British merchants in India, as should not only *remove* every inducement to conduct the trade through *foreign* channels, but should enable the British Merchants in India to *enter into a competition* in the markets of Europe, with merchants trading in goods of

similar produce or manufacture, provided by *foreign* capital.

46. To foreigners the indulgence may safely be extended, of purchasing with their own capital such part of the manufactures or produce of India, calculated for the European or American markets, as may not be embraced by the capital employed in the purchase of the Company's investment, and of the cargoes of the British merchants resident in India.

47. It is, however, doubtful, whether\* foreign nations would be able to retain any considerable proportion of the trade from

\* The Americans obtain Indian goods so much cheaper by a direct intercourse with India, than they could through the circuitous route of Europe, that they will probably continue to deal largely, even on their own capital, with India. It is now the ordinary practice of the Americans, under the last treaty of commerce, to ship cargoes in India for America, to touch at some port in America, and without trans-shipping or unloading the goods in America, to proceed directly to Europe, and to dispose of their Indian cargoes in an European port. This practice is, unquestionably, contrary to the treaty of commerce with America.

India to Europe, were the British merchants in India permitted to avail themselves of their superior means of drawing the whole of the trade to England. Their local knowledge, added to all the advantages necessarily derived from a constant residence on the spot, must always enable them to command a supply of goods, of a better quality, and at a cheaper rate than foreign merchants can obtain. In the conveyance of Indian goods to Europe rests the foreign merchant's sole advantage over the British. The superior facility which the foreign merchant enjoys, in this respect, gives him so decided a command over the trade, that he is enabled not only to *outbid* the British merchant in India, but also to *undersell* him in the markets of Europe.

48. Were the British merchants in India permitted to provide their own tonnage, as occasion might require, every reason exists to justify a belief, that they would soon possess themselves of nearly the whole of the private export trade from India to Europe, and would render London the universal mart for the manufactures and produce of Asia.

49. If the capital of the merchants in India, and the remittance of the fortunes of individuals, should not supply funds sufficient for the conduct of the whole private export trade from India to Europe, no dangerous consequences could result from applying to this branch of commerce, capital drawn directly from the British empire in Europe.

50. Beneficial consequences of the utmost importance would certainly result to the British empire in India, from any considerable increase of its active capital, which is known *not* to bear a just proportion to the *productive powers* of the country.

51. The necessary effect of such an increase of active capital in India, would be to augment the produce and manufactures of your dominions, to the full extent of any possible demand. The high rate of interest on money applied to mercantile purposes, and the charge of the public debt, would consequently be diminished in India; while every source, both of public and private credit, would be proportionably improved. No possibility appears of any injurious consequences resulting to the British empire in Europe from an event so advantageous to



India. It cannot be supposed that the private trade of India will ever absorb any portion of British capital, which can find more advantageous employment at home. If any portion of British capital be now employed in the American, or Portuguese, or Danish trade with India, the general interests of Great Britain will unquestionably be promoted, by inviting, under increased advantages, the application of the same funds to the trade of the private British merchants resident within the Company's dominions.

52. From whatever source the capital of the private British trade in India might be derived, the goods would be obtained in India under the same wise, humane, and salutary regulations, now enforced, with respect to the provision of every article of produce or manufacture in this country, either by the Company or by private merchants: Great Britain would enjoy all the advantages of that trade, which is *now* a source of *increasing wealth* and *strength* to *foreign* nations, and which tends ultimately to *introduce* foreign intrigue, to *establish* foreign influence, and to *aggrandise* foreign power in India.

53. It would be equally unjust and impolitic, to extend any facility to the trade of the British merchants in India, by sacrificing or hazarding the Company's rights and privileges, by injuring its commercial interests, by admitting an indiscriminate and unrestrained commercial intercourse between England and India, or by departing from any of the fundamental principles of policy, which now govern the British establishments in India.

54. It may be urged, that if a considerable proportion of the goods now exported from India to the continent of Europe by foreigners, were to be imported into England by the British merchants in India, under rates of freight more advantageous than those now paid by the Company, the demand for the Company's goods would be reduced, and the value of the Company's goods would be impaired.

55. It has already been observed, that the public sales of East-Indian goods in England must necessarily be affected by the aggregate quantity of those goods sold in the continental markets of Europe; and that the effect on the sales in England would

probably be less prejudicial, and could not be more so, if a larger proportion of the goods provided in India for the European markets, should be imported into England and sold, in the first instance, at the Company's sales.

56. The long establishment of the Company's factories in India, the skill of its servants, (regularly educated for the conduct of those factories,) the habitual confidence of the manufacturers in the good faith and integrity of the Company, have secured to the Company so decided a superiority in the provision of the most valuable articles of piece goods and raw silk, that no private merchant, by any practicable reduction of freight, can be enabled to rival the Company in those important articles of its investment.

57. In the first purchase of sugar and other gruff goods, the trade of the private British merchant has more nearly reached that of the Company; nor will the Company ever be able to trade advantageously in these articles, unless the government in India shall resort to ships built in India for the conveyance of such goods. The valuable branches of your investment will, it is

supposed, be always conveyed with more advantage in your regular ships.

58. If the British merchants should be permitted to employ ships built in India under the plan of October 1795, the Company's gruff goods may also be conveyed to England in ships of a similar description, at rates of freight equally advantageous with those paid by the private merchants.\* The Company will therefore derive a considerable benefit in this branch of trade, from encouraging the trade of the private British merchants in India. At present, neither the Company nor the private British merchant can rival foreigners in the markets of Europe, in the less valuable articles of Indian produce and manufactures

59. It is now evident that the extra tonnage engaged in England by the Company for the service of India, can never be rendered a practicable channel, through which the British private trade of India can contend with foreign adventure. This observation

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\* The probable saving to the Company in the present season, by the conveyance of their gruff goods in ships built in India, may amount to 20,000l.

necessarily applies with more force to the regular ships of the Company, although experience has proved those ships to be admirably calculated for the conveyance of the Company's valuable investment.

60. The plan contained in the advertisement of the 5th of October 1798, affords to the British merchants every necessary facility for the conduct of the private trade from India to England, while the important principles of the trade and government of India are preserved from hazard, and *sufficient precautions* are provided against all the *dangers* justly apprehended from an unrestricted commercial intercourse between England and India.

61. The essential object of *preventing* the resort to India of persons *unlicensed* by the Company is not effected; the powers of the government in India over *unlicensed* persons remain in *full vigour* and *efficiency*; no goods or passengers can be received in the private ships either in India or England, without the *sanction* of the Company, or of its government; the voyage to England, and the return to India, are required to be performed under the instructions and controul

of the same authority ; and as the proprietors of ships, the commanders and officers, the seamen (mostly natives of India,) and *all* the persons concerned in the immediate conduct of the trade, are *subject* to the *authority* of the British government in India, it is *always* in the power of the Company and of its government to *prevent* the perversion of an intercourse thus regulated between India and England, to any *sinister purposes*, endangering the rights and privileges of the Company, or the interests of the British Empire.

62. Omitting the difference in the rate of freight, these considerations alone are sufficient to recommend the employment of ships built in India, in the private trade between India and Great Britain : Over private ships furnished from England, the Company and their government in India could *not* exercise an equally efficient control.

63. It is remarkable, that the principle which has *hitherto* regulated the commercial intercourse between India and England, has actually occasioned the very evils which it was intended to avert.

64. The operation of this erroneous prin-

ciple has *forced* the trade between India and Europe from a channel in which it *could have* been controlled and regulated without difficulty, into the hands of *foreign* nations, where it *cannot*, without considerable difficulty, be subjected to *any degree* of control, regulation, or restraint. The *same mistaken policy* has filled the ports of India with the ships of *foreign* nations; has enabled those nations to *rival* the Company, both in Europe and in India, in many articles of its export and import trade; has invited from Europe and America, *adventurers* of every description; and, by the number and activity of these *foreign* agents, has *menaced* the foundations of your commercial and political interests throughout every part of Asia, and even within your own dominions.

65. If the extension of additional indulgences to the British merchants necessarily involved the admission of numerous British adventurers into India, the wisdom of your honourable court could not fail to remark, that your government can *always* with less difficulty *control* the operations of British, than those of *foreign* agents; while the

danger to be apprehended from the views and designs of foreigners, of every description, must ever be greater than any which can probably arise from an increased resort of British subjects, under such *limitations* and *restraints* as your wisdom may frame, and the vigilance of your governments in India may be enabled to enforce.

66. But it does *not* appear probable, that an increase of the private British trade of India would *necessarily* produce a proportional augmentation in the number of British agents resorting to your dominions, the British merchants now resident in India being equal to the conduct of much more extensive concerns, and likely to be employed by persons engaged in commercial concerns at home, who might easily conduct their operations with India, through those British subjects actually established within your dominions.

67. On the other hand, foreigners generally deal directly with the natives, or with foreign houses of agency. The number of these houses (in consequence of the war,) is now inconsiderable; the increase of foreign adventurers will, therefore, be a necessary



consequence of any considerable increase of the trade in foreign hands. Foreign ships also being necessarily exempt from the controul of the British government in Europe, offer to every emissary of the enemy, and to every dangerous political adventurer, an *easy entrance* into India. In proportion to the increased resort of foreign ships to our ports in India, *foreign* intrigue will more *ready channel* of admission. It is a known fact, that those to whom you refuse permission and license to visit India have refused, usually resort to foreign ships thus evade your authority. The same channel is also always open to afford refuge, the means of *escape*, to every *public defaulter* and *delinquent*, from the authority of your government in India.

68. It is impossible to check the resort of the ships of foreign nations to India by any other regulation, than by rendering the trade *unprofitable* to *foreign* adventure: this effect cannot be accomplished, otherwise than by enabling the British merchants in India to *undersell* foreigners in the markets of Europe. A system which, under due regulation, shall afford to the British merchants in India the

greatest practicable facility of conveying their trade to England, instead of *endangering* the stability of the trade, and power of the Company and of the nation in India, will therefore constitute the most *solid basis* of security, for the preservation of both.

60. The preceding observations, may, I trust, satisfy your honourable court, that the principles of the plan of the 5th October 179 , combine the requisite indulgence to the private trade, with the indispensable precautions necessary for securing your interests in India.

70. It is not my duty to enter into any detailed discussion of the objections urged by the *ship-builders* in England, against the admission of ships built in India, to a participation in the trade from India to the port of London. It may not however be useless to add some remarks on this part of the subject.

71. Experience having proved that tonnage cannot be furnished from England on terms, which would enable the British merchants in India to rival *foreigners* in the trade between India and Europe, the exclusion of the ships built in India from the port of

London would *not* increase the number of British ships hitherto engaged in the Indian trade in any proportion which could materially benefit the ship-builders in England. This measure, therefore, *without any proportional benefit to the ship-builders* in land, would perpetuate and aggravate evils now experienced, from the restrictions imposed on the private trade between and England : On the other hand, by allowing ships built in India to partake of trade to England, the ship-builder and other artists, manufacturers and traders in England, will reap all the benefits arising from the large sums expended in the repair of the numerous ships, annually resorting to England from the ports of India. Other interests, connected with the building of ships in England, will also derive the profit resulting from the great demand for the articles necessary in the construction and outfit of the ships built in the ports of India, the fact being established, that many of those articles must necessarily be brought from England.

72. On their return to India, these ships, from the moderation of their rates of freight, will afford a most advantageous mode of con-

veyance, for such of the manufactures of the British empire in Europe, as may be demanded in India; consequently the facilities granted to the private trade, and to the ships built in India, will serve to encourage the exportation of British manufactures to Asia, to whatever extent the demand may be enlarged.

73. I have thus carefully revised the plan contained in the advertisement of October 17, 8, for the encouragement of the trade of the British merchants resident in India with England; I have compared that plan with the arrangement adopted under the orders of your honourable court, of the 25th of May 1798; I have considered the probable effects of any future attempt to provide for the conveyance of the private trade of India to the port of London, either in the company's regular ships, or in extra ships hired in England; and I have adverted to the comparative practical operation of the systems adopted by this government, in the years 1798-9 and 1799-1800, as it appears on the accounts of the exports and imports of the port of Calcutta in each of those years. I have also submitted to your

examination, a combined view of the motives which induce me to revert to the plan of October, 1798, for the present season and to form an anxious expectation my conduct in this proceeding may with your approbation and countenance may become the foundation of an imp and durable system of intercourse bet India and England, under the sanct your authority.

74. The *rapid growth* of the *fc* trade, during the last season, urged the *immediate interference* of government on the spot: The number of foreign ships actually in the port of Calcutta; the alacrity, enterprise, and skill of the foreign agents, now assiduously employed in providing cargoes, and the necessary inaction and languor of the British private trade, embarrassed by the restraints of the existing law, created a serious apprehension in my mind, that any further delay in the decision of this momentous question might occasion evils, of which the remedy might hereafter become considerably difficult, if not absolutely impracticable. The unrestrained progress of the foreign trade in the present season, added to its great in-

crease during the last, might have established its predominance over the private trade of British subjects, to an extent, which no future regulation might have proved sufficient to limit or restrain. The difficulty of diverting this lucrative commerce from the channel in which it had been forced, would naturally be aggravated, in proportion to the length of time during which the trade should continue to flow in that course.

6. Under these serious impressions, and convinced that a prompt decision was demanded, with a degree of exigency equal to the importance of the question at issue, I directed the accompanying notice to be published at Fort William, on the 19th instant ; and I ordered the governments of Fort St. George and Bombay to publish correspondent advertisements at those presidencies, with such modifications, as local circumstances may render indispensably necessary.

76. It will rest with your honourable court to determine, whether this plan shall be rendered permanent. A *temporary* restraint is now applied to the progress of the *foreign* trade in India during the present season ; and a *temporary* encouragement is granted, for

the same period of time to that of British subjects resident within your dominions. Ample time is thus afforded for the deliberate formation of your final judgment. The result of which I shall await with a respectful, but a confident hope, that your wisdom may approve and perpetuate the policy dictated by my orders of the 5th of October 1789, and of the 19th of September and that your liberality may confirm the interests effected by this important measure, the lasting enjoyment of those mercial and political advantages, which has been my constant endeavour, under your countenance and favour, to cultivate, to improve, and to extend.

I have the honour to be.

Honourable Sirs,

With the greatest respect,

Your most obedient,

And faithful servant,

WELLESLEY.

**FREE TRADE;**  
OR,  
**AN INQUIRY**  
**INTO THE PRETENSIONS**  
OF THE  
***DIRECTORS OF THE EAST***  
***INDIA COMPANY,***  
TO THE  
**EXCLUSIVE TRADE**  
OF THE  
**INDIAN AND CHINA SEAS:**  
ADDRESSED  
TO THE GREAT BODY OF THE  
***MERCHANTS AND MANUFACTURERS***  
OF THE  
**UNITED KINGDOM.**

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**LONDON:**

PRINTED AND PUBLISHED BY J. GOLD, SHOE-LANE,  
FLEET-STREET.

**1812.**





## PREFACE.

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THE design of the following pages was suggested by the necessity of directing the determination, and of methodizing the efforts of the general merchants and manufacturers of the country, to obtain a just and reasonable participation in the trade with the countries beyond the Cape of Good Hope, on the approaching expiration of the charter, in virtue of which it is now monopolized, but by no means adequately cultivated, by the East India Company.

The merchants and manufacturers are already sufficiently alive to the importance of an opportunity, which, if suffered to pass by unimproved, may never recur, for relieving the commerce of the country from the lamentable state of languishment and depression into which it has been brought, by the concurrence of a number of causes; the generality of which, are either wholly, or, in a great degree, beyond British controul.

The continental system of Buonaparte having, for its object, the total exclusion of British goods from the nations under the influence of France, may, perhaps for ever, deprive us of the vents for our commodities, which we heretofore found in those countries; and the uncertain state of our relations with America, although there is reason to hope that it will not terminate in war, may, if much longer protracted, lead to the establishment of native manufactures beyond the Atlantic, which would go far towards our permanent exclusion from the American market.

These being, in a great measure, matters of internal regulation, both as far as America is concerned, and as far as relates to the countries under the controul of France, it may not be possible to counteract the influence of the present system, even if a good understanding with those countries should be immediately restored; while the terms upon which that restoration should be purchased, may be such as to deter, on the first demand of them, even those who now most anxiously wish for the blessings likely to result from it if coupled with those mutual benefits which British equity always contem-

plates in such cases. But the trade now monopolized by the East India Company, is the actual property of the British empire; the legislature of the United Kingdom will be free to dispose of it at their pleasure, and as it shall seem fit to their wisdom, and their regard to the interest of the nation, as concerned in it, as soon as the period of the present charter shall have expired. This opportunity, this resource alone, is within our own power; we shall exercise an undisputed right in giving ourselves the benefit of it—and shall the nation, when such a benefit lapses into its disposal, at such a time, throw it again out of its hands, and bid the public sit idle, and prepare to perish with folded arms; while a select body, privileged to the ruin of the country, is allowed to carry it on with limited means, to a limited extent, and to be enriched amidst the general poverty, of which it will form at once the principal cause and the most painful contrast?

The madness of such a sacrifice is too obvious, to admit any determination in the public at large; other than that of which we have such ample, striking, and satisfactory evidence,

in the resolutions and petitions agreed upon, in all the principal ports, and all the manufacturing towns and districts of the empire.—But that determination is resisted; and attempts are made to answer it, by declaring that it is founded in total ignorance of the subject—in false and delusive views of imaginary interests.

The exclusive trade of the East India Company is presumed to afford to that body, and to its leaders, an exclusive knowledge of every thing beyond the Cape of Good Hope, and all others are conceived to know nothing; and, by an extreme perverseness of ignorance, to embrace falsehood for truth, and mischief for advantage!

This is a mode of argument, which, if once allowed to avail the Company, may be kept in force to eternity: for, if an exclusive charter gives the Company the means of exclusive knowledge, they will, of course, keep that knowledge to themselves, and keep the public for ever in that ignorance, which is to be, ever and anon an unanswerable argument for the renewal of the Company's monopoly.

The Company, in coming to moot the question with the country, has certainly the advan-

tage of local information, and of an established routine of business, not easy to be grappled with by men, who, with whatever understanding of the universal and invariable principles and rules of commerce---with whatever comprehension and force of mind, in applying those principles to a vast tract of land, and a multitude of nations, all presenting large openings for trade, may not yet be prepared to answer the cross-examinations of partisans, schooled in the details of the Company's factories in Hindostan or China, and prepared to puzzle with practice, when they find themselves incapable of replying to reason.

To supply this deficiency to the general merchant and trader, has been the principal object of the Author of the following little work; and that he has not bestowed his attention on this object, without cause; if not already sufficiently manifest, from the course of argument adopted by the Company's representatives, in the late negotiation with the Board of Controul, as it appears in the printed papers, containing the correspondence on that subject; and from the tone and language of the debates upon the subject at the East India

House; has been since most fully and clearly displayed, in the paragraphs inserted in the newspapers, obviously, by the authority, and at the expense of the Court of Directors, and by some of their collateral, and equally interested classes of subaltern monopolists. We allude to the appeal lately made in some of the newspapers, on behalf of the warehouses and warehousemen, the clerks, and labourers and porters, and the multitudes of other denominations of buildings, and of persons, employed by and under the Company.

To discharge those persons from their employment, is represented as a hardship, not lightly to be resolved on; and to render those warehouses useless, is spoken of as an act of wantonness, almost impossible to be committed by any one, conscious of its nature and amount. But those who argue in this way, can have no object in view, except to excite a local sensation, and to conjure up a local opposition among interested persons in London, for the purpose of counteracting the general sense and will of the country: for what substance is their in the argument, except as an appeal to interests and passions of this kind? And which is

more likely to find employment for warehouses, and for clerks and labourers—a limited monopoly, or an extended and expanded commerce, carried on with all the liberality and animation that belong to the character of a British merchant, when not sophisticated and restrained by the combination of characters and relations wholly foreign to the spirit and genius of trade.

The same answer may be given to a sort of selfish remonstrance sent forth on the occasion, by the ship-builders and owners, who are in the habit of supplying tonnage for the Company's trade: for, let us ask these men for a moment, whether the shipping interest, even of the Thames, and that too, even if the trade should in the import, as well as the export line, be thrown open to the other ports as well as to London, would not be likely to be materially benefitted, instead of being injured in the smallest degree, by such a change. Let them answer, if they can, or if they will, whether the trade with the countries beyond the Cape of Good Hope would not, if so thrown open, employ ten, aye, twenty, tons of shipping, for every one ton that it employs at present?



These arguments, weak as they are, put forth so studiously by the Directors, and their dependants and co-operators, evince their alarm, and shew by what arts they will endeavour to oppose the claims of the country, and to excite the opposition of other bodies to them. They shew also the necessity that was foreseen by the Author of this publication, for confirming the purpose, justifying the resolution, and invigorating the efforts of the general merchants, so as to enable them to meet, with effect, the opposition they will have to encounter, by particularizing their objects, and elucidating them with those views, which the information gained, and the observation afforded, and the reflections suggested to an unprejudiced mind, by a local residence, can alone furnish. The author is not an enemy to the Company; on the contrary, he wishes the Company well, but he wishes the Country better; and if an alternative be put, as it is in the present instance, by a narrow and mistaken spirit of self interest on the part of the Company, whether the Company's monopoly shall be preserved unfringed, to the ruin of the nation; or the national interests shall be duly attended to, and incalculably benefitted and promoted, by re-

stricting the Company to their proper occupations, and to their real and natural character, he cannot hesitate, in that alternative, to embrace the side of the nation. If his humble efforts shall afford any instruction to those charged with the management of the public interests, and to the public at large, who are to be the main support of the opening of the trade, he will feel pride in the consciousness of having contributed to one of the greatest advantages ever conferred upon the country, or upon mankind.



# FREE TRADE;

OR,

AN INQUIRY, &c.

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**A**N important æra has arrived, when the lease, which restricted the commerce with an enormous portion of the globe to a particular and very limited class of men, to the entire exclusion of the general body of the merchants and traders of the British empire, is near its termination; and the rights, comprehended under that lease, are about to pass from the hands of the East India Company, back into the possession of the nation at large—either to be delivered over again to those who have hitherto had the sole use and management of them; or, to be retained, as public property, for the general benefit of the country, and those of its citizens, who may be disposed and qualified to profit by so great an expansion of commercial opportunities. To what a crowd of important considerations does this incident give birth! and how grand and weighty is the alternative into which these considerations re-

solve themselves ! and, we think we might venture to add, even at the outset, how little doubtful the determination upon that alternative to any wise and unprejudiced mind ! The property which the country has leased out, being now, upon the expiration of the term for which it was let, about to revert to the public, who are the proprietors, it is to be considered what part, if any, shall again be impounded in the hands of the lessees ; and what part, if not the whole, shall be retained by the proprietors, to be farmed by themselves and their general agents, for their own benefit. To this inquiry the present work will forthwith proceed.

Abandoning, at present, all discussion as to the propriety of the Company's further full enjoyment of the empire of their Indian territories, and waving, at the same time, any idea of examination into the views of the government, or of the country, in respect to the regulations to be introduced into the statutes for further continuing their territorial dominion, and the circumstances connecting themselves with it, as they regard the natives of India or the national character of Britain, or the interests of the Company—it is intended to confine the present investigation to the simple object of the trade.

To pursue the investigation of this subject comprehensively, it will be proper, first, to take a very

summary view of the circumstances out of which the Company's trade originated.

It will not be necessary to follow it from its minuter sources to its more improved state, when it was expedient to secure it by charter; suffice it to say, it began and arrived at this stage in the usual course, and the ordinary commencement and progress of commerce. Nor will it be requisite to talk of the rivalry it experienced in a second chartered company—which found it convenient, afterwards, for mutual benefit, to mix its stock with the first, and to become a joint stock company; on which joint capital the trade has been ever since carried on.\* As the importance of the trade increased,

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\* At the period here adverted to, the mercantile glory and prosperity of Britain had not, in any branch or department, reached that meridian splendor which they have now, long since, in every point, attained. They had, in fact, only just shewn themselves upon the surface of the waters. Private individuals did not dare to undertake distant voyages, or to risk expensive adventures. All enterprises of this kind were invested in companies, now almost wholly extinct. Besides the adventures carried on by the Indian, and Levant or Turkey companies, and a few others similar, in corporations, there were scarcely any that could dignify the adventurers with the name of merchants. That the East India Company should be, under such circumstances, allowed to establish its exclusive trade, is not surprising; that it should be allowed to continue that trade thus far, is, perhaps, reconcilable, though not easily so; but that it should pretend to a further continuance, without any participation on the part of the public, is unreasonable and astonishing.

the Company found it necessary to increase their *local establishments* : thence arose large factories ; and, as new rivals appeared in foreign companies, these factories were surrounded by fortresses, and the British Company were allowed, by the indulgence of Parliament, to raise slender forces, to sustain their commercial establishments. But the factories, and forts, and forces, were granted with a view to *trade*, not with the view to enable the trade to introduce, as it has since happened, an approach and an inlet to territorial acquisitions. But the incidents, in process of time, became more material than the direct and principal object.—The increase of territory, as it opened a field for patronage, was, at first, regarded as a valuable gain ; but, in process of time, as foretold by the great Lord Clive, turned out to be the Company's bane, and produced evils, particularly in the Indian territorial debt, now nearly thirty millions, together with a debt of several millions in this country also ; which more than countervail a large nominal revenue. But, according as this debt has accumulated, the beneficial trade, which was the grand object of the institution of the company, and of the continuance of its exclusive privileges, has declined. And here it may not be amiss to recommend, as a point and principle to be always recollected, that the Company was instituted, not to give its subscribers and stock-holders the power or the right to acquire empire, nor the opportunity

of sharing large dividends, but in order to open a vent for the national manufactures, and to supply our home consumption with useful articles, and the comforts and elegancies of life, in abundance, and at reasonable rates. At every step and at every point of this enquiry, therefore, the reader should pause, to ask—how far these objects have been fulfilled?

But, to avoid all discussions not immediately connected with the subject under contemplation, we proceed summarily to observe, that the consequence of conquests has thrown into the Company's hands an immense expanse of country; running many hundred miles into the interior of India, from the coasts in the Indian ocean; extending, on one side, from Cape Comorin, beyond the Persian Gulph, and on the other, from the same point beyond the Ganges, as may be seen by a reference to the maps; comprising an extent of coast of many degrees, in no one point of which is it possible for a ship to land a cargo, except on the Company's territory; for it is impossible to regard the petty Marhatta states on the Malabar coast, and the kingdom of Travancore, lately subdued by the Company, and reduced to a state of perfect vassalage, in any other light than as provinces and parts of the Company's empire.

There are, also, surrounded by the Company's possessions, other territories of native powers, which it is not necessary to describe particularly, little



inferior, in respect of extent, to the Company's. These countries may be said to be relatively in the Company's possession, for the purposes of trade, there being no mode of access to them but through the Company's territories—no "*common way*."

The subjects of the Company, inhabiting the provinces comprehended in their actual empire, amount, including the new conquests, to four times the population of the United Kingdom; and the population of the countries to which the Company's territories command, or from which they preclude, access, is not less numerous.

These vast tracts of land, comprising nearly the whole Indian Beninsula, and the inhabitants of these tracts, may be viewed, under the circumstances of the existing charter, as the first objects of the Company's commerce.

The Company have not only been permitted to acquire these territories with their revenues, and to prosecute a trade within them—but they have been allowed to pursue their commercial speculations to every part and place eastward of the Cape, and to consider them as much their own as the territories just referred to; excluding from them the rest of the mercantile community, of which they are only a part.

When the exclusive right of trade with India was first granted, the whole of the Indian, and the principal part of the Pacific Ocean, were given up to the Company, as a field for speculation; the value

of which was not fully comprehended, and remained to be ascertained. The public, not prosecuting it, had no means of knowing its worth, and could only learn it from the wealth, or appearance of it in the Company's representatives. The Company were cultivators, bound to foster, to improve, and to mature the trade; and favoured with advantages, sufficiently productive, to reward them for the honest and faithful discharge of these obligations. The advantages conferred upon the public by the Company's exertions are not so easily discernible; those gained by the Company itself are obvious.

As, from time to time, the public became acquainted with the advantages enjoyed by the Company in the monopoly of the trade, proportionate sums were demanded for the renewal of the charter; and it was not, in any instance, renewed without some immediate contribution towards the exigencies of the state, or some promise to that effect.

Such has been the course of things hitherto; and, from the conditions which we have just noticed, as forming the consideration insisted upon by the country, in every successive arrangement, a consideration uniformly increased till the present occasion, it is obvious that the country, at the expiration of every period, felt itself entitled to dispose of the trade according to its pleasure and its sense of its own interest; and if the option of making a fresh grant to the Company has been always hitherto preferred, the variation of the benefits re-

served manifested always the intention and the right to make a bargain, upon terms of advantage satisfactory to the grantors; which, of course, conveys a sense, or a persuasion of a right to give or withhold altogether, according to circumstances, as well as a right to grant, upon satisfactory terms of remuneration.

These considerations bring us of necessity to the sense and persuasion of a right to exercise a perfect freedom to grant or to retain a new lease of the trade—to grant or retain it in any limited extent, and subject to any conditions and reservations that it may be thought reasonable in the grantors to prescribe, and prudent and profitable in the grantors to submit to.

For the Company, the charter may now be supposed to expire at an inconvenient time. Mercantile views, in general, have become more enlarged; and, in proportion as they have enlarged, the field for trade, from political circumstances, has, unfortunately become, in the same degree, narrowed.

Both these causes operating together, have excited an opposition, a very natural one, to the Company's monopoly; under the idea that, if it were abolished, a large expanse would be opened to mercantile adventure; not only as it respects our own immediate interests, but our indirect good, through intermediate trade with other countries; the effects of which, it is thought, would be reflected back on the country.

The public are, therefore, clamorous for *partici-*

pation in the Company's trade; for, as yet, there is no alleged pretence to annul the joint-stock course followed by the Company, intermixed, as it is, with their corporate rights; which, in all probability, will not be infringed upon.

But the Company, not content with this probable indulgence, insist that certain branches of the monopoly should be continued to them, and more particularly the *China trade*; and they insist further, that the licensed trade to be extended to the public, should be put under certain restrictions, which would, if imposed, involve private traders in much needless expense and vexation, in order to reduce their commerce in certain particulars, not only to a level with, but to place it under the Company, and to load it with incumbrances, which would render the prosecution of it almost impracticable.

To these suggestions, the Board of Controul appears to have lent rather a willing ear; and there is reason to apprehend, from the connection of the Company with that Board, and of that Board with the Ministers, and of both with Parliament, in which they and their respective adherents are so frequently bound and actuated by common and responsive interests, that, combined and formidable efforts will be made, to deprive the general mercantile interest of the nation, of the whole, or the most important parts, of the rights devolving to it, on the expiration of the charter;

or, if any part be conceded, to shackle it with such conditions and arrangements, as to render it wholly useless and unproductive. To prevent a combination of this kind, from defeating the grand efforts now made by the merchants and manufacturers of every port, every town, and every district, should be the object of every friend to the freedom and prosperity of trade, and to the welfare of the country; and to give facility and effect to these efforts, is the chief motive for putting together the suggestions contained in the following part of this work.

If the country shall be properly roused to a sense of its interests and its duty, and shall speak its mind, with becoming energy, and maintain its resolutions with proper firmness, no combination can resist it. The voice of the nation must prevent the council of the nation from alienating the nation's rights from the nation itself, to a small part of the nation, and to a narrow and insulated class of its people.

From what has been previously observed, it appears, that the Company's monopoly, as at present existing, consists of two kinds of trade :

1st. As to the Company's own exclusive territories.

2dly. As to neutral or friendly countries, within the precincts laid down in the charter, and confirmed by statutes.

To the first, if they be permitted to keep their

territory, as it now stands, they suppose that they have peculiar claims, which remain to be considered.

To the second, we have not yet heard of any pretension, which does not equally belong to any subjects of Great Britain, as well as the Company, on the expiry of the charter.

But to take a hasty view of the first description of commerce—

It is to be carried on, as it will be observed, with the subjects of the Company *principally*, over whom they exercise sovereign power. The Company, or their agents, for it is the same thing, instead of being satisfied with trading solely with this immense population, to which their factories gave them access, have thought proper to subject them to their *rule*; which rule in the East is completely arbitrary. They have taken the territory and the revenue—they have monopolized the sale of the most valuable articles of internal consumption, such as salt and opium—and have hitherto retained, and wish still to retain, if not all, at least the *chief* articles of external commerce—precluding others from purchasing or exporting such articles. So that the Company, as sovereigns, can place what duties and imposts they choose, in the first instance, on the trade of their subjects, and would afterwards forbid them from trading with any other than themselves, or such purchasers as they would prescribe;—and yet they tell one of

their tender love and affection for their native subjects! What must be the condition of such happy subjects, either for the consumption of exports from other countries, or furnishing manufactures for foreign markets?

It is not within the view of an inquiry of this kind, intended merely to sift the grounds of the Company's pretensions to a renewal of their monopoly, and to assert the general rights of the national merchants, and, in pursuing these objects, to be as little polemic as possible—it is not within the view of such a work, to question the sincerity of the tender affection professed by the Company towards its native subjects; further than this, that as such a profession has been brought forward, coupled with a severe and groundless general charge, in argument for the exclusion of the general merchants from the commerce of India, it is rendered almost indispensable not to notice, and to reply to it. We must therefore ask, in such a state of things as we have described, and which are the most striking features of the condition of the Indian subjects under the sovereign company—will any one stand up, who affects the least regard for the natives of India, the present subjects of the Company, and raise his voice in favour of the Company's proposition? In their character of sovereigns, *Eastern sovereigns*, they are wholly incapacitated from acting as *merchants*—the two characters cannot co-exist, without the ruin of

the people; and, consequently, without rendering them unprofitable subjects for trade of any kind.

Surely, the Company might content themselves with drawing revenue from its subjects; and, as the condition of the people should be ameliorated their finances would keep pace—and bright commercial prospects to the one, and a full exchequer to the other, would break forth like meridian sunshine from a cloud of darkness.

We cannot help viewing this proposition, made on the part of the Company, mixed as it is with territorial sway, most unjust and preposterous. Instead of *struggling* for this branch of trade, in exclusive enjoyment, they ought to lose no time in *renouncing* it\*; and to vaunt forth this fol-

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\* The impossibility of extending the export trade to India, alleged on the part of the Company, is certainly not devoid of plausible grounds, considering the settled habits, the established frugality, and extreme poverty, of the greater part of the natives. But it is, at the same time, to be remembered, and remembered particularly by commercial men, that the expansive influence of commerce has wrought changes still more extraordinary upon nations, than the general introduction and consumption of British commodities among the nations of India. Who could have expected, two hundred years since, that the beef-eating and beer-drinking people of England would relinquish the food and the beverage in which they had a particular pride, conceiving them to be the chief sources of their strength and vigour, and that they would have turned over, almost universally, to the use of tea, the millions of pounds weight and pounds worth of which annually imported, form the chief source of the East India Company's gain. It is, besides, to be



bearance, as a reason for claiming indulgence in another branch of trade, to which, as at present informed, we cannot perceive that the Company have the shadow of pretence. But, under the

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considered, that these same natives of India, so poor, and so unalterable in their habits, are made to contribute most mainly to the Company's revenue; first, in the article of salt, which is the only thing they can use, to give a flavour to the insipidity of their rice—and, secondly, in the opium, the intoxication of which, serves to furnish them with a temporary oblivion of their wretchedness. The Mahomedans, moreover, who form a great portion of the population of India, are a people of splendid taste and sumptuous habits, having at their head most of the native princes; and being, in general, very opulent: and they, at all events, are likely to be, and are, in fact, at present, large consumers of British manufactures.

The article of tea, now grown into vast and unexpected, at first highly improbable, and even at this day, scarcely reconcileable, consumption, has enriched the Chinese farmer and merchant, and afforded large supplies to the Chinese government.

To the East India Company, it affords profits sufficient to counterbalance their losses on the other branches of their trade, and to distribute large dividends to the holders of East India stock. To the British Government, it yields a vast revenue; and to the British people a refreshing beverage, so cheap, as to be easily accessible, even to the poorest amongst us. It is not to be expected, that an article of the same universal attraction to the natives of India, should be immediately discovered, and sent out from this country. But it is in the nature and spirit of unfettered commerce, to excite new wants, and to provide the means of supplying those wants; and with so large a field as India to act upon, there is no doubt that a general trade will find means of creating a general consumption of articles; the supplying of which, will be highly profitable. This subject will be more particularly touched upon hereafter.

pretext of securing this foreign object, so widely distant from any of their actual possessions, they would find a reason for shutting out the general British merchant from scenes, the natural and open sources of adventure to him.

This brings us to the inquiry as to the second branch of commerce, which the Company would reserve—namely, the *China trade*.

This trade originated in the ordinary way above shortly noticed—being accidentally within the precincts from which the people are excluded. This, contradistinguished from the trade with India, cost the Company nothing in acquiring. It is not a wrought article, where the materials are cheap, and the workmanship gives it value, but is a common, simple, natural object of commerce—ready to the Company's hands, and to the hands of every people, almost, in the civilized world. All the European nations of eminence, and some Transatlantic, have factories in China, which they have been permitted to erect; and, through the means of which, to carry on a permissive trade with the wary Chinese.

The Company conduct it in the same manner with others; and we do not know of their having any very striking advantages over other nations. Of this we are certain, that in a late case of emergency, in checking a piratical and insurrectional expedition of its subjects in the China seas, the government of China called in, not the English, the presumed favourites, but the miserably weak

*Portuguese*, who, to render the assistance required, were obliged to borrow the naval means, at second hand, from the English ships then in the Chinese ports and seas; and this jealousy of the Chinese towards the Company, has been proved to be not without reason, by the conduct of the Company's government and officers, in endeavouring to hold military possession of the port of Macao.

The trade with China having been established, without any sacrifice on the part of the Company, and having been so conducted by them, as not to claim any favourable consideration for them, on the part of the Chinese, no possible ground can be imagined, for the Company's inordinate pretensions to a further monopoly of it, except, perhaps, the establishments they have thought proper to form, for the purpose of carrying on the intercourse. The factory erected by the Company at Canton is, no doubt, very costly and splendid; and it has been made the means of provision for the sons, and other immediate relatives of the Directors: for the appointments on that establishment are retained specially for those persons, and handed down as a sort of heir-loom from one set of Directors to another. With this view, a palace, rather than a warehouse, has been built; and a princely institution founded, for the maintenance of which, a suitable revenue has been assigned. And for what, we will ask, is this expensive and luxurious institution created? Why, to enable the Company's

supercargoes to pass, in easy and convenient state, the progress of the *trading season*—the permitted period of *the Fair*—whence we are to see them banished the moment their stalls are taken down; when they are glad to find a shelter for their heads in the hospitality of the Portuguese, on their island of Macao.

But these splendid appendages, however convenient it may be for the Company, or rather their Directors, to retain them, are not necessary to the well-being of the trade; and, therefore, not necessary for the public to concern themselves about, unless they shall be set up, as we suspect, as reasons for continuing this traffic in its present channel.

The only ground yet assigned by the Directors, for none has been offered by the Board of Controul, is, that it is a very dainty or delicate sort of trade, and ought not to be thrown open to the vulgar. But every other nation of the earth prosecutes it, and have address enough to carry it on successfully—and who shall argue, that the English have no capacity to the same end? They who venture to insinuate this, are the last people from whose mouth such an objection ought to issue; since they, alone of all others, have so conducted this traffic, as to risk the further permission of it to the country, by involving themselves in serious misunderstanding with the Chinese government.

The Company have been more than once in

danger of losing the trade altogether, from the haughty carriage of their officers, who assume a port and bearing quite above all other merchants; and, if they had lost it, or if being, which is scarcely possible, allowed to retain it now, they should be excluded from it, in consequence of any future abuse or misconduct, would it not be an extraordinary circumstance, if the country should still be restrained from taking up the commerce? Yet that consequence, strange and unreasonable as it is, must follow, if the monopoly be now again conceded; and the Company should, in the event of any dispute, be excluded from the Chinese ports: yet under these circumstances, and without any well founded right, the Company, it seems, would keep this branch of trade to themselves, and would endeavour to persuade the Board of Controul, but seemingly without success at present, to convert it into a means of precluding British merchants in general from trading with the coasts to the eastward of the Bay of Bengal, and the cluster of islands in the Eastern Archipelago. With what pretensions the Company would reserve such parts of their present exclusive privilege, as we have now shortly adverted to, has been sufficiently shewn.

It is true, that in compliance with an intimation from the Board of Controul, the Directors have, reluctantly, consented to admit the public to a participation of the first description of commerce,

at present enjoyed by the Company; yet the participation is to be partial, and under restrictions, and for supposed causes, which we may hereafter advert to.

It has already been shewn, that the company being sovereigns, ought not themselves, even on ordinary principles, to trade at all with their own subjects. This maxim is established beyond all question, by writers of the highest authority; among whom, we suppose, it will be sufficient to mention Dr. Adam Smith. Without dilating, therefore, on a point already fully proved, let us consider what part of the Indian trade the Company would exclude the public from, viz.

the *trade in piece goods,*

———— *raw silk,*

———— *salt-petre.*

The first is the principal export from India; and there would seem no good reason, when the trade is thrown open generally, why this should be reserved, or indeed either of the other articles, unless it can be shewn, which is not now apparent, that there is some good reason for the exception. As to the latter article, indeed, it is said to be of a political nature; obvious enough, if it be founded on any solid ground. But we own, we feel some surprise, (being willing, however, to give the Company credit for liberality) that they should lay a claim to such privilege; since we see no less a sum than 400,000*l.* stated as a loss on the supply of this article to the public service, within

the period of a few short years. It would seem a little curious, if we did not know the extent of the patriotism of the Company, that they should contend for retaining to themselves this annual loss!

Having shortly examined what they would *retain*, now let us see what it is that they would *cede*, and under what *conditions*. If we are astonished at the extraordinary pretensions of the Company, we are doubly moved at the colour and extent of the restraints, to which they would subject that portion of the trade, which they are inclined to grant; which, if accepted, and pursued in the course prescribed, would be a left-handed present.

To take a view of the positions of the Company, in respect to this species of trade.

They lay it down as a principle, and which they claim some liberality in broaching, that they are not governed by commercial jealousy, in what they are about to cede; for, in fact, there is no reason for it, since "the Indian trade, as an *object* of *gain*, has gradually ceased to be of importance to the Company or individuals." If this were true, the retention of it, surely, is not worth a contest; and more especially, since it cannot be retained with advantage to their subjects. This should induce the Company, instead of inventing restrictions, to hold out encouragement to the country. Why, like the testy and invidious animal in the manger, withhold from others what they cannot benefit by themselves?

But though the Indian trade may not be worth having, yet it is politic, it is said, to keep India untrodden by a British foot. And hence a hundred evils are conjured up, to deter us from the admission of Europeans into the country. But how are they to carry on trade at all, and with what prospect, if they be not to accompany, and await the disposal of, their goods? How are they to sell their exports, or to purchase or provide a returning cargo?

All these objections, giving them what colour the Directors please, found themselves most declaredly in the jealousy of that body. They may say, (but who will believe them?) that they are only intent on advising the merchants of England against their own silly plans, arising out of the supposed profit of the trade to India; it will be found, it is to be lamented, on examining their arguments, their statements, and exceptions, that they are founded in no better passion than described, or in motives intimately connected with it. And hence spring, not only the restraints which they would devise for the traders to India, but they would follow them with similar incumbrances, through the whole course of the adventure from England to India, and from India back again to England. But to investigate the foremost string of restrictions, as they respect the part of the adventure to be conducted in India.

They would, in the first place, not allow any



merchant to *domiciliate*—and wherefore? Because, in the apprehension of the Directors, these men might be expected to colonise. Is there a greater fondness for emigration in Englishmen than in men of other countries? Contrary to the known passion of all islanders for their home, would these men unnaturally abandon their native country, and their laws, and for what?—

For the privilege of breathing, if they have so bad a taste, the tainted and *feverish* air of India—

For the purpose of putting themselves under the government of the Company, in preference to that of England—

To renounce the blessings of nature—and to scorn the best security of human happiness—together with the comforts of society—for the sole purpose of travelling to, and sojourning in India, for India's sake: for the Court of Directors say, that there is nothing to be got by commerce in India. As the inducement, therefore, to go thither, will soon be found deceptive, there is no doubt that the dreaded effect from going thither will cease with the cause. The evil apprehended, would, in this way, soon cure itself.

But the *climate*, without any other circumstance, may be supposed to be a sufficient check on colonization. To learn that this is not mere *theory*, we need only look to other countries, who have had authorised establishments in India. Have the French or Dutch colonized there? And as to the

few who actually domiciliated, what has become of them? and what the effect produced to the mother country, while they sojourned there? What even of the *Portuguese*, the earliest settlers in India, and whose governments were more colonial than any other of later years?

This would seem to afford a sufficient *quietus* to the fears of the Company, on this ground. Phantoms to terrify themselves! What has been now said, may also tranquilize the Company, as to the apprehended *operation* of persons flocking to India upon the native subjects of the Company. For who are the persons, and what their description, who may be expected to emigrate; with a view to colonization? Will they not be persons of high mercantile rank, fortune, and character, rather than artizans and workmen? What temptation would the latter description have to undertake such a voyage, where labour, of every kind, may be, and is, performed by the natives, under the direction of European masters, with as much skill and success as in this country; and when those masters will, assuredly, cause their work to be executed in the cheapest manner possible? The influx, therefore, of Englishmen, or other Europeans, or Americans, into India, cannot be supposed to be considerable; and the class of persons who are alone likely to settle, are of a description, from whom nothing is to be apprehended.

It is admitted that there is a certain degree of

delicacy to be observed towards the natives, who have many religious prejudices and peculiar habits, that forbid the close contact of Europeans. Still, however, they maintain an intercourse, though not a very intimate one, with Europeans of every denomination.

The French, and Dutch, and Portuguese, have been able to support such intercourse with tolerable success. Some of these people, of late years, have sought to extend their natural intercourse, and have travelled far and wide in the interior, and have sojourned with powers, such as the Marhattas, the Mysoreans, and with the people of the Deccan.

Have not those adventurers been able to amalgamate with the natives, and live in peace and amity with them? There is nothing, then, *impossible* in such an union; on the contrary, experience shews it is very practicable.

But it is supposed, by the Directors, that Europeans, let loose on the Indian continent, would stir the chiefs into constant warfare. Does experience warrant this conclusion? Have the French less intrigue than the English? Or has this been the distinguishing characteristic of them in their connection with the native powers, whom they have occasionally served? It may be confidently asserted, that no native prince would have suffered them to exist, for a moment, in his country; if they had favoured insurrectionary practices among

the chiefs of his own territory, or would have lent an ear to their advice; if it accorded not with his own views and interests. A contrary conduct would have been, as far as regards the policy of the native prince, or, indeed, the French, *felo de se*. Each adventurer might promote his own particular interests; but this would not be done without an appearance of serving, instead of overturning, the state in which he domiciliated.

If it be meant to infer that the English would take service with native states, and spur them traitorously on to hostilities with British India, we must have better evidence than an unmanly and illiberal insinuation, contrary to all experience, to found our policy upon.

But with whom is it intended that the British adventurers should domicile, or where do they lay claim to it? with the Company's subjects generally, and in the Company's territories. They would, too, during such domicile, be under the particular regulations of the Company, and, what is still more effectual, under the British law; visiting, not only all possible offence committed by them within the Company's peculiar territories, but in those even of their allies. These laws also have given a local tribunal, having cognizance of such offences. If, too, the legal ordinances, actually in force, were not sufficient to embrace every description of crime, it would not be very difficult to adapt them to the new state of things, on the extension of the intercourse of England with India.

Thus the penalties of the law would have the same effect, if not a greater, than the relation now subsisting between the Company and their servants, and would check any insult likely to be offered to the natives. But, if this insolence is so much to be dreaded, how does it happen that the natives are exempt from it under the visits and the authority of the Company's troops and civil servants of every class (including the youngest writers and cadets, and even private soldiers)? These persons go, not as humble and industrious traders, having to recommend themselves by their orderly and attractive conduct, but present themselves in all the imposing pomp of power and office; and, if *they* do not exceed their authority, is it to be apprehended that an excess will be committed by men, bound as the new adventurers will be, by every obligation of interest, to conduct themselves peaceably and inoffensively? If the common servants of the Company can be relied upon for such conduct, cannot the same reliance be placed on independent and respectable British merchants!—We should almost blush to ask the question.

Before quitting this subject it would seem fit to answer a possible objection that may be started, as to the probability of British subjects passing the boundary of the Company's territories, and taking up a residence in neighbouring states. That this is not very likely to happen in any great degree, one might undertake to state gratuitously;

and on a parity of reason, as explained in the case of supposed general colonization. The different armies which the Company possess all along the frontier, in the shape of subsidiary forces, in the territories of friendly powers, and of residents and spies at foreign courts, would render any transgressions over the Company's limits, if it be desirable to guard against them, a matter almost of impossibility. It would be a work of labour and of art, travel which way they would, for British adventurers to pass, without the notice and, as at present, without the permission of the Company.

There is, however, this particular restraint upon it—the jealousy of the native princes—who could never, it is imagined, be inclined to give privileges to such settlers, beyond those enjoyed by their own subjects, or to put them in possession of offices that should tempt them from the British protection. Besides, it may be asked, who would voluntarily place himself permanently under the capricious tyranny of eastern domination, which, however varied in its mode, is, in substance, always arbitrary?\*

\* There have been adventurers, English as well as French, who have escaped over to native princes; and what have been their reception and fortunes? Some of the latter, indeed, such as *Deboigne* and *Perron*, who have had high military command, may be supposed to have had an envy of the British pre-eminence, and to have been stimulated to means, under the advice and commands of their government, to diminish it,

These short observations would appear to be enough, at present, for an answer to the fears of the Honourable Court of Directors—the apprehension of colonization, as affecting their own interests—or the interference of Europeans, if allowed to follow their merchandize, personally, with the Company's subjects.

A word or two is now intended to be offered, as to the tender concern of the Directors for the British merchants, who, it is feared, might be seduced by false appearances, to enter into Indian speculation.

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if practicable. But have these most fortunate adventurers ever ventured on insulting or provoking the English power? or have they dared to recommend it to the princes whom they served? On the contrary, on the first breaking out, or shew, of hostilities, they have sought to send their private property to the treasuries of the East India Company, and have, themselves, followed on the first available opportunity. If such men, with their antipathies to the English, cannot be trusted by the native princes; it would hardly seem very probable, that they will confide more implicitly in Englishmen, who may be imagined to have a contrary bias—But, allowing that they may be conceived as traitors to their own country, which the objection presumes, will this be a ground of confidence to the new prince whom they would serve? How do the Directors judge of the intellects of the native Princes!

But when and by whom has the fugitive English adventurer, accompanied by no character or national protection, been admitted to the service of the native princes? or, if admitted, to what rank has he attained beyond the lowest grade of command, except with the permission of the Indian governments? No one instance to the contrary can be quoted: hence the apprehension of the Directors would appear to be chimerical.

It is stated, that the natives of India, in general, have but few natural wants; which are easily satisfied; or, if they had *artificial* ones, that, commonly speaking, they have not the means of gratifying them; that they are, in the *bulk*, a poor race; and, though there may be some wealthy individuals, that their religious usages and civil customs will not let them purchase many European articles; and those that they want, or are inclined to use, are very scanty, such as woollens for the cold seasons, and a small quantity of *unwrought* metals. This is said of *all* the Indian people, without respect to their different religions and casts, or their local situation. These, in point of fact, are almost as various as the territory they inhabit; and it would be difficult to lay down a rule which would include all. But the *Hindoo*, or *Gentoo*, the most scrupulous of all, does not refrain from availing himself, so far as his means extend, of our manufactures, of luxury, as well as necessity. He is a constant purchaser of European carriages, of articles of jewellery, of glass, and of ornaments of every description; nor is he, in any way, forbidden from the general use of them; though, in particular *Household utensils* he would prefer, perhaps, Indian manufacture. It is no uncommon thing for him to purchase even English cloths; and when they are procurable, the *stuff shawls* of this country, as being cheaper in price, though inferior in quality, to those made in India.



If, in the interior of India, the natives of opulence had more frequent opportunities of seeing our luxuries and conveniences, and which they would have if Europeans were more extensively, than at present, permitted to sojourn among them, there is no reason to doubt but that a desire for them would be excited in the natives, which would lead to an extension of trade.

But the principal cause of the defect of exports from this country is, first, that it would cost the Company too much trouble to seek to extend them, by exploring new sources, when their attention is required by matters producing immediate advantage; next, that the *instruments* employed by the Company are not *mercantile*, none of their servants having a merchant's education, and not many of their Directors having been schooled in trade.

But what is the export trade of India, and who conducts it?

Putting the exports, consisting chiefly of *cloths* and *stores*, for the use of the Company's own establishments, out of the question, the rest consists in articles exported by individuals—principally by the *Company's officers*.

And how is this managed? Why, it is put into *godowns*, or warehouses, at the presidencies; and the captains of ships, and officers, splendidly dressed, and bearing a high rank, unacquainted with, and superior to, traffic, will not condescend

to go behind the counter to dispose of their investments, but leave their commodities to be sold by Dubashes, or Banyans, native traders, who may be found on the spot; who retail them out in the settlement, and answer for the debts, taking a percentage for their trouble. The officers get, in return for their articles, what the rapacity of these men chuse to leave them; who also exercise the same power over the cargo to be purchased for importation. Nor can the captains and officers suffer their eye to be taken off these honest agents for a moment; so that all is terminated on the spot.

In the walk of trade the native stands not in need of any protection; being generally found to be a full match for all the cunning of Europeans.

It happens not much otherwise in private consignments; only here the European resident at the presidencies, and the free merchant, knows his native agent better, and exercises his own judgment as to the credit to be given, and has a greater advantage in buying the returning cargo. But he cannot go ten miles from the presidency, without especial permission from the local government; and such permission is rarely given, if requested.

Is it to be wondered that no new sources of commerce are discovered? or, is it to be expected that any could be found in such a system of trade?

But it is advanced that others, such as the French and Dutch, who allowed of a freer intercourse with their own and foreign native subjects, were not

able to find or force markets for their exports. Now what were their local means? The *Dutch* never had but a mere footing on the sea-coasts, and had no means of intimate communication with the interior. They had not the manners, nor show, nor spirit, commanding the notice of the natives; nor had they the consequent influence. Their views, too, were abstracted from the continent of India at an early period, and fixed, more properly, as a mercantile body's should, on the islands in the Indian seas; where they have since kept up a lucrative trade. The case is dissimilar from the English.

As to the Americans, they have never had a factory, nor a foot of land; how, then, could they create new branches of commerce, or extend the old?

The French are not to be regarded as a mercantile people; and their aspect to India has been principally political; nor have they, besides Pondicherry, surrounded by a narrow screed of territory, any important passage to other Indian states; nor have the English, until years somewhat recent, had so general a communication. It has been noticed that, though they have had commercial means, they have not employed them to any large extent, nor sought to increase them. When, however, they have acted on these means, it has been at such cost, and on such principles, that it has been impossible to expect any

great benefit to result from them. Look at their commercial residents, factors, and their boards of trade, with their dependencies out of number, and then consider what the Proprietors are likely to gain from commerce, passing through such multiplied hands !

Are we to take the success of the Company in their speculations as a criterion of what the trade might be in the hands of those accustomed to its management ?

The argument built on the trade from port to port in India proves little, if any thing: for this would, naturally, be accommodated to the wants of India, insuring a quick and constant return—rather than to England; whither the trade must be carried on in English ships, chartered by the Company, and by prescribed persons and ways; which would make the British branch of it not only hazardous, at all times, but at no time worth the prosecution. If the Indian trade were to be thrown open, the beneficial effect of the *coasting* trade would be, at the same time, discovered. The one would necessarily serve the other.

What has been just observed will answer any argument arising out of the circumstance of the public not having availed itself of the tonnage of the Company's ships. Who would send their goods to such a market as has been described? none, certainly, it may be averred, with the least notion of mercantile principles.\*

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\* What encouragement the Company's tonnage has given

But the East India Company prefer a claim for providing such a medium of commerce, which has been taken up, it seems, beyond the æra of their charter. But, if they have made a wrong speculation, as to the continuance of it, this, like all other losses in trade, should be borne by themselves; at any rate, it cannot be stated as an obstacle to admitting the public to their own indisputable right—the benefit of the Indian trade.

The grounds have now been slightly examined, on which the Directors have mainly rested, in opposing the opening of the trade with India; for it has been shewn, it is hoped, that they are not tenable on the principles avowed: that it may be carried on without offending against the policy, on which the Company have acted, or without improperly affecting the Indian community; and that there is no need of those restrictions, in India, to which the Directors would subject it.

To view the articles of trade a little more closely, in order to discover, which is sometimes doubted and sometimes half admitted by the Directors, whether the trade promises to be productive, *i. e.* whether the game be worth the candle.—

It has already been noticed, that it may be expected that the skill and industry of private merchants may increase the export trade, by discovering new inlets. Whoever takes even a neglect to Indian speculation may be easily conceived, on taking any given shipment, and observing charges of freight, &c. to which the Company subject it.

gent survey of the vast tract of land open to the English adventurer, and the different climates which it embraces, may readily imagine what new marts it holds out to mercantile enterprise. His eye will be directed to the Latitudes, to the north-east of Bengal, to Nepaul and Arracan, and the country spreading towards China; and almost an equal space in a directly opposite course, towards Cabul and Persia. It will turn, naturally, also all along the Persian Gulph, and, crossing the Indian Ocean, to the eastern coasts of Pedier and the west coast of Sumatra—the intermediate islands, and to the closer seas, washing the Chinese territories.\* In none of these vast territories have the Company yet, seriously, attempted any commercial communication. Not to enter minutely into the exports which they would severally take, is it not known that, in a great part of these countries, the natives, being of climates similar, in certain respects, to our own, must have wants of a similar kind, and, as they are not so advanced in mechanical knowledge as we are, that they cannot supply them, in general, so cheaply as we are accustomed to do, and more especially in articles made of the staples of our own country? May we not fairly expect to supply them with these? Would not the people of Pegue, of Ava, and the Malayans, spread all along these coasts, and on the circumjacent

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\* From the effect of the late captures it might also embrace one side of Africa and the countries bordering on the Red Sea.

islands, consume articles of our workmanship and manufacture, that are now scantily supplied from India? Would not they take coarse coloured cottons and chintzes of every kind, and a vast quantity of articles of iron and steel, differently modified? which are not enumerated in the list of articles of consumption noticed by the Directors.

Would they not give, in return, the woods, vegetable substances for dyes, spices, and other growth of their lands, and the produce of their mines? which the coasting-trade has imperfectly conveyed, hitherto, to Indian ports.

But, beyond this, the ordinary trade of India, the British government has recently captured the French islands, opening a new province, though a somewhat bounded one, for exports, but giving most valuable imports in exchange; among others, the finest sort of cotton; an article particularly spoken of, as a desideratum, by the Directors, and described as being deficient, and not of the best quality in India. This thrown into the general scale, will render this branch of commerce a fair and promising object of cultivation.

To this new field of trade are to be added Java and the spice islands in the Eastern Seas, which will furnish abundant fresh imports for the supply

The list of the commodities enumerated by the Company, with these, would seem to present a fair lure to the merchants of this country, so as to

justify their undertaking the trade with its natural risks.

India is said, by the Directors, to produce spices, pepper, drugs, sugar, coffee, raw-silk, saltpetre, indigo, raw-cotton, and manufactures of the latter staple. To these we will add -- gold dust, precious stones, woods of singular beauty and variety, such as sandal, rose, ebony, and sattin-woods, as also ivory, tortoise-shell, horn, gums, vegetable oils, wax, hemp, flax, rice, and, whenever required, wheat and pulse, in any quantity ; all known products of India ; besides numberless others, which the industry of our merchants might be expected to draw from hitherto unexplored regions.

Are not these encouragements more than sufficient to counterbalance the apprehensions of the Court of Directors, as to the unproductiveness of the trade ? Their care to convince the mercantile world of this may be well suspected, looking to another part of their conduct. *This* would seem to be insidious, while *that* is, at least, candid and open.

If they had said " we will not admit the British merchant to share the trade," we should not then have expressed any surprise at the restrictions with which they would burthen it. But they profess that, such as the Indian trade is (they are sorry it is no better), they have every liberal wish to let the community partake of it. But what is the participation they hold out?—a crippled and, re-



strained intercourse. They would let you move, but with a log tied to the leg—like a man dancing a hornpipe in fetters.

But participation, if it means any thing, implies a fair and honest participation—a division of the whole with the Company, in such parts, or proportion, as shall be marked out—not like the division between a man and his cross-grained Rib, where one takes the *in*, and gives the other the *outside* of the house.

What! shall the Company have “all appurtenances and means to boot,” their merchants, their factors, their writers, their boards, their military forces, their navy, and their numberless associations—finding all, all of these necessary to the maintenance of their commerce—What! cannot they do without *one* of these fixed and constant establishments? and yet, wishing their countrymen to partake of the advantage which they have not the capital to carry on to its natural extent, grudge, at the same time, to their fellow merchants a footing for one poor agent to accompany, and to abide the issue of, his mercantile speculation?

But they are fearful, it should seem, that the mother country might be detrimented by any change in the commercial regulations, as they respect India; and also that their native subjects might suffer by it.

Can it be doubted, the Company even do not affect to doubt it, but that more exports would be

carried to India, on such a change, and more articles of import taken thence, in the direct proportion of the increased number of the traders? The latter circumstance, though they preach, sometimes, about the dangers to result to their subjects, is admitted to become the probable means of enriching their people, if it be carried to the extent of which it is capable,—so that their products may be carried to other countries, as well as England. Of those riches that may thus flow in upon their subjects, it is to be concluded that the Company may insure some considerable share to themselves, and thus promote their interests more honourably and more effectually than by pursuing, as at present, an unnatural commerce with those over whom they reign.

But it is conceived by the Court of Directors, that the natives may be induced, by this freedom of trade, and the benefits resulting from it, to assert their own independence, and to throw off the government of the Company, and perhaps of Britain altogether. When, however, it is recollected, that these men have borne so long and so peaceably the government of the Company, the apprehension of revolt in a condition so much to be ameliorated, cannot be entitled to much consideration. It may also be supposed, that the mother country will not be so negligent of its own interests as to sow the seeds of such a revolution, and to suffer them to take root, and to come to

maturity, without taking any sufficient precaution; unless the principles of the Company shall be adopted in the outset, and the advice of the Company's counsellors, interested, not for the nation, but against it, be assumed, for the regulation and guidance of the nation's policy and conduct. It is possible we should conceive, that the nation may, of itself, comprehend, whether the same merchandize may, on an increased investment of it, promise the same benefits to the state, if brought into its ports by one description of its subjects, as if brought in by another. Not to dwell further on the restrictions which the Directors would put on the private merchants, but to proceed to answer the general objections which have been thrown out by those gentlemen, in their speeches, and in their writings.

It has been inadvertently thrown out by the Directors, that, on commercial disappointment, merchants, and adventurers to India, would endeavour to reimburse themselves on shore, for the losses of their speculations afloat. Is this the general course of English adventure, or is it a practice imagined to be applicable to particular latitudes? If it be founded erroneously on the former, the reputation of integrity and honour, established in three quarters of the globe, as distant nearly as India, will give a direct refutation to the slander; and if it rest on the particular ground noticed in the second place, as the experiment has not yet been tried, is it not uncharitable to sup-

pose, that an English merchant here, would act inconsistently with his character, as maintained in the rest of the world? Is the climate absolutely so infectious? And who is it that acquaints us with its influence?

Not wishing to indulge in the same freedom of reproach which the advocates of the Company's monopoly have made use of, against the friends of a free trade, we shall only claim for the merchants of England in the *East*, the possession of the same principles and sentiments *there*, (we hope we are not asking too much) that they entertain in every other quarter of the globe. We hope that they will no where be governed, whosoever venture to impute it to them, by the motives of robbers, and the spirit of pirates. That they will bear their losses, if they should occur, with the same philosophy that they have hitherto borne their good fortune. But if, unfortunately, the climate, or position, should affect them, and work the changes dreaded, we hope without any just ground, by the Directors, what may we not fear of a like influence of the same baneful sky on the minds of the Company's servants, and their masters? Unless, indeed, *they* shall be able to resist such influence, from a *proper seasoning*; at which fortunate point, it is to be hoped, that the private merchants may also one day come. As, however, the apprehension of the Directors is bottomed on the fancied failure of the adventure;

and it has been shewn that such is not very probable to be the case, it is thought, that the Directors may sleep in peace, and not be troubled with any further waking dreams.

The other apprehensions of the Directors may be lulled to rest like these ; which latter have given cause to the restraints which they are desirous of imposing on the private trade at home. Thus it is wished to fix *the tonnage of ships* to be employed in this trade ; the *course of the adventure* ; the *ports of clearance and delivery*, with a long train of &cs.

The lamentations, poured out over their own large and warlike vessels, which probably may become useless, are neither unnatural nor unbecoming. But, though we approve this, we cannot coincide in the idea, that because these vessels may want employment, they should act as a heavy incumbrance on others. Do the Directors wish to break the back of private commerce, by every weight they can heap upon it, or in a more mercantile spirit, are they willing to put up the broom, to sell their now needless shipping ?

Disdaining to enter into any minute history of the shipping employed by the Company, we shall only state, what is too common to require any other than a passing notice, that pure commerce has but very little to do with the size or magnificence of the Company's vessels. The Court of Directors ask not so much the build or bulk of the

ship, as who is the owner? and how many votes he can command at the India House, or in Parliament? and so of all those who have any relation in the ship, in the intermediate gradations, from the commander to the ship's husband. The same interest determines *whither* the ship shall be destined, and the season of its despatch. These are no unimportant considerations, and are not overlooked nor unregarded, among the many other objects of patronage within the Company's hands. While hastily touching on this ground, it may be remarked, for such is the natural tendency of things, that in all dealings, however great or little they may be, this principle may be expected to govern; and as they are more or less used as a means of influence or protection, in the same degree they must have a baneful influence on the Company's trade. It may be left to the meanest capacity to pronounce on the effect of such a system, though it would perplex the keenest head and eye to trace it in all its windings.\*

It is farther to be feared, that, with a like spirit as that noticed in the case just now particularized, the Directors may suggest the restrictions to be laid upon the intermediate trade between other

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\* In considering this part of the subject, it will be proper to bear in mind, that the practice of building such large ships for the Company's service, has for several years been recognized and deprecated as very injurious to the navy, for the service of which the scanty supplies of large timber now procurable, ought certainly to be reserved.

countries, standing in need of Indian or Chinese articles, ulterior or collateral to the direct outward and homeward voyages between England and India. They cannot, consistently perhaps with other objects, themselves pursue this branch of commerce.—Why would they, it may be asked, preclude private traders from the enjoyment of it, since it would serve to dispose of superfluous articles and commodities, the produce of their own countries, and the manufacture of their subjects? It seems at present doubtful, on what fancied principle they are proceeding. Why may not the British, as the Americans, carry Indian goods to the Spanish and Portuguese colonies in South America? unless it may be deemed a means of making an adventure profitable, which the Directors have prognosticated to be injurious, and that, like quacks—

Would rather that their patients die,  
Than their prescriptions prove a lie.

If such a commerce might serve India, and the Spanish and Portuguese settlers, it would not, in a less degree, benefit our own country; inasmuch as it would lend a facility to the disposal of articles it does not now possess in South America; and would besides receive, ultimately, into its accumulated wealth the profit of the British merchant, with the articles of export in the original voyage outward, and the seed of a future adventure, which would turn in season to fruit, by a

like subsequent process and encouragement. If this course did not allow so much immediate profit to the mother country, in point of duties, it would receive benefit in another shape, and possibly not only in an increase of capital, but in articles of necessity for internal consumption, bringing, possibly, one way or other, a proportionate increase to the revenue. And as the Company say, that more Indian manufactures and produce are brought to England, than she can consume or export; the markets in South America may help to take off the superabundance of India, without throwing it as a dead stock, at certain seasons, into the Company's warehouses, or the stores of the country.

But if this species of trade could be supposed by statesmen, or political economists, to trench upon the spirit of the navigation laws, as at present in existence; these, like all others, must yield to the times, and not the times to them. Nor would the legislature be at a loss to frame regulations, if any were requisite, for a trade to be so conducted. Our possessions in India, and the bordering seas, afford abundant checks to any trade that might be governed by principles illusory of the regulative law.

If the Company wish to share in future in this circuitous course of commerce; there can be no just reason for excluding them from that which is given to his Majesty's subjects at large. No one would wish to deal with them as they would deal



with others. Their whole conduct at this juncture, and more especially that which remains to be considered, is directed on the apparently selfish principle, of seeking to involve others in the same situation, into which their own thoughtlessness, or want of circumspection, has plunged them. Not knowing how they can refuse a participation of the trade to the private merchants; they have recourse to devices, which, if countenanced by those, who have a natural leaning to the Company, will either cheat the public of the benefit of the trade altogether, or place it under all the serious incumbrances under which the Company's commercial establishment labours, to reduce both to a par. Respecting the Company and the public, it may be demanded, are these two distinct bodies prosecuting their different adventures on the same principle? The one regards trade as the only means of their existence and livelihood; the other as a means of patronage principally, if not altogether. Making a comparison of all the commerce conducted by the Company, and taking all the charges incident to it, not only in shipping, freight, and direct disbursement, and in stipends to the body of servants, at home and abroad, engaged in it, there is not the least doubt, but that the Company will be found, if not losers, at least gainers to an amount not worth calculating. In this expensive and mischievous course, the Directors would embark the private traders.

We will not remark on the hints given by the Court of Directors, that seek to put the public under the dominion and controul of the Company, in the mistaken notion, that they are the natural masters, whereas they are servants, and as far as respects India, the creatures of the public. It is a hard lesson, but it is one that they must soon learn—as of course—and their pride will be dissipated in the due progress of things.

Nor will it be required that any notice be taken of other hints, thrown out to secure undue gains by the Company, either as a charge on the merchandize of private traders in this country, or imposts on the same commodities abroad; nor on those especially, where they endeavour to retain certain manufactures to themselves. All these proceed on the basis of private interest, so palpable, so undisguised, and so unsupported, by any inherent visible property within themselves, or argument from without, that it would be an abuse of common understanding to waste an observation upon them. They must and will be indignantly repelled by an enlightened legislature—as too unreasonable to be listened to for a moment.

To those suggestions, that are presented under a plea of securing to the state its regular duties, but in reality are aimed to harrass the natural opportunities for trade, outward and homeward, with regulations, not only calculated to retard the progress of adventure, but to load it with intolerable

expense, and unnecessary hazard ; it might be right to offer one or two remarks.

It appears, that the Company feel, that the situation which they have chosen for trade, subjects them to certain inconveniences, contradistinguished from other places that might be selected ; and from and to which other vessels may take their departure, or make their return. In all voyages out and home, their ships and cargoes are exposed to the hazard of the Thames and Channel navigation, to which the ports of Ireland, Liverpool, Bristol, Plymouth, &c. would not be liable. Instead, therefore, of choosing to avail themselves of the facilities of these ports, as means of carrying on their commercial views ; instead of accommodating themselves, who are the few, to the wishes of the many—they unreasonably desire, that the whole mercantile community should give way to them. This desire is the more monstrous, when it is considered, that the expected complacency in the community, would expose them, not only to a lengthened voyage, and an increased expense of sailing ; but submit their commerce to the chance of the elements and war, more than equal to all the risks of the voyage besides. It is not, therefore, a matter of *etiquette*, but of *essence*. But the loss would not only be to the merchants, but eventually to the population of the countries on the sea coasts ; who would have Indian articles unnecessarily increased in price, by the same circumstances, that would almost

double the mercantile costs. It is not the mercantile interest alone, but the country, that ought to resist these encroachments.

To talk of the effect on the Customs, from the changes of the place of sale of Indian commodities, would seem absurd, unless it shall be evident, that the ports, to which the produce of India would be conducted, were exempt from the visitation of the Custom-house officer. This is a blessing, so far as we have been able to understand, for which the country is not yet wholly prepared ; and till that time arrives, it is believed, that the trade, as far as regards the customs, may be carried on in all ports with the like advantage to the country, as now.

If the Company shall plead their warehouses, and their dear-bought conveniences in London—it must be replied to them, that they had not any right, that we know of, to calculate beyond their term in the charter. What would they, or any other set of merchants say to him—who should build his offices of trade on another man's ground, and on so grand a scale, that it would occasion the bankruptcies of half a hundred ordinary firms, to sustain the loss, if he should be removed from the premises in a given time ; and yet neglect to secure the renewal of his lease ? Would they not brand such conduct with the appellation of extravagance or folly ? But it would be absolute madness to expect, that vapouring on this extravagant conduct, the landlord should be bullied into his conditions.

In all adventures, there are certain matters, let them be as prosperous as they may, that must be written off to profit and loss. This is one of them. It is a false speculation, if not in the trade itself, in the duration, and profit of it, and must be placed on the wrong side of the account.

There are but one or two additional remarks, that we would make on the Company's hints—the one is, on the requisition, that the public, in return for the trade which the Company would obligingly give up, on the approaching termination of their charter, to the hands of those who gave it, should furnish, at different times, as there may be need, to the Directors of the East India Company, a sum amounting to six millions of money—not as a payment for any fixtures in trade, left behind them; not for any warehouses, or ships, or stores—but to enable them the Company to pay their own debts. What! after the Company have been driving a profitable trade, as they have told us from year to year, do they come at last to borrow of that very public whom they have deluded, and wish to exclude from the repossession of their own. Six? yes, six millions of pounds sterling! On the plea, too, that they have had a very losing concern of it—and if the public will lend them, for so it is in point of fact, so much capital to renew their trade, they have no doubt but that things will come round again.

We have heard of boys furnishing an instrument

to scourge themselves—but none but a child could be guilty of so egregious a weakness.

Until this moment, the Minister for India, and the Court of Directors, would have had people believe, that all things were going on most prosperously; nor would they now have come to a disclosure of affairs, if things could any longer be dissembled. Into this unhappy condition, they have not fallen all at once,—by one fell swoop—but by a systematic course of decay and ruin—by a yearly excess, in their territorial management, of charges above their revenue—and by a continued loss in their commercial dealings.

The Directors may endeavour to blind and mislead the public, by talking wildly of the value of their territorial acquisitions, and the revenues to be expected from them; but, whilst we have this known and indisputable fact before our eyes—that from the experience of a long series of years, nearly equal to the extent of the charter, the charges have exceeded the revenue, in the amount of many millions; it would seem absurd, to look for any beneficial change, for any given time to come, without the public had some assurance, (which is not likely to occur, from the very constitution of the Company) that they would depart from the system on which they had hitherto acted; and which is the only one, as they aver, suited to the administration of the affairs of the Indian empire. From an adherence to this system, is any

thing to be augured, but a recurrence of the same ruinous effects?

Within the period alluded to, the Company's debts have increased to no less an amount than twenty millions sterling.\*

Some flatteries may be indulged by the Directors, that their assets have been enlarged within the like term; and that these will serve, in a great measure, as a balance against their debts. But the Directors, like all other persons of desperate circumstances, over-rate, not only their present, but prospective property. They reckon on the effect of their expenditure in forts and warehouses, as if their value were increased, in the proportion of the expense added to them—as if a ship could be estimated, by the money expended in its repairs—or a garment, by the number of sums exhausted in keeping the tattered remnants together.

On the same sort of reasoning, they build airy castles—as to the realization of long out-standing debts, from the native powers fallen into decay—or what is tantamount to it, into the arms of the Company.

As another species of this delusion—they look to alleged charges on the public, which have been long repelled by their representatives in Parliament; and, what is equally as deceptive, to the sale of the perishable and perishing articles in their warehouses in Leadenhall street. They would seem to be proceeding exactly in the same track

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\* For the effect of their territorial and trading system, *vide* Appendix.

with unsuccessful speculators, who terminate their career in bankruptcy ; but which is staved off from day to day, by representations that have now become so common, that they can only impose on the ignorant, and make tools of the designing.

The remaining point that we would simply glance at is, the ungracious, and, we will say, ungrateful, manner in which the Company express themselves, of the cost attendant on the employment of King's troops. One should think that their services had been, in the highest degree, trifling and unimportant; whereas, they have been a great mean, we will not say a primary one, of the recent acquisitions of the Company.

It would appear, as if these troops had been sent to India in unjust proportions, rather to load the Company with an unnatural expense, than to afford to them protection, in an extraordinary emergency—the apprehended invasion of their territories in the East, by the strongest enemy that could threaten them.

But these troops have been employed, as it would appear, among others, in making some conquests for the crown; and Ceylon is particularised—But for whom have they actually conquered it? Why, for the Company, who have engrossed this, as every other species of trade within the Company's limits. Does the cinnamon of Ceylon go to the King's, or the Company's warehouses? Is the island otherwise profitable? If so, let them shew it, and the ground of their complaint.



They rail at the expenditure occasioned by the Egyptian expedition. But what was the object of that expedition? To prevent the French passing into the vicinity of the Company's territories. Did they wish such harmless neighbours? Or, if they had been allowed to go thither, who would, in all probability, have been the principal losers? Shall we then hear of this as a subject of remonstrance? This kind of representation is the more unseemly, when we consider that the Company have charged the principal part of this expense, as also the capture of Ceylon, to the public, and have had credit for it in their accounts.\*

Before this part of the subject is dismissed, it will be well to call their attention to a species of defence, which the Directors have derived, at the *entire* cost of the public—the naval defence of India; in which have been employed, for a long series of years, from twenty to twenty-five sail of men of war; and these have been used, not in defending the general interests of the country, but the narrow and partial trade of the Company.

If the Company had actually suffered from giving employment to a part of our military force, one should have thought that a reflection on the

\* For the first, they have been allowed, on account, 1,761,807*l.*—for charges, and for interest on the advance, 1,006,550*l.*—making together 2,768,357*l.*

And for Ceylon, they have obtained a like credit, though not to so large an amount.

gratuitous support of the navy, would have sealed their mouths against complaint, and for ever.

But, instead of the country shifting the military force on them, it has suffered for the want of it in other quarters, where military aid has been required, for the most important national purposes.

The Court of Directors appear, not only to have entertained erroneous notions of the Company's importance, but to have lost sight also of every thing owing to the *public*. They have forgotten, that it is to *them*, and their sacrifices, that they are indebted for their territory, with their exclusive trade. That without their representatives in Parliament, they could not have had any means for acquiring a foot of land; nor could they, without its permission, retain it for a moment now it is acquired. That they are sovereigns only by sufferance.

That it is not by virtue of any fanciful inherent right in themselves, that they have been able to raise and maintain armies, but from the toleration of the country; and that their exclusive trade depends on no other authority.

If they had a proper impression of this truth, it is to be supposed, that they would not have set up the vain pretences preferred. They would not have raved about their privileges, as if they had been self-originating, or self-derived. They would not have talked about the propriety of admitting the

country to their original rights, or have pretended to have a claim, to impose restrictions upon them. They would have petitioned, where they have foolishly undertaken to command.

The Court of Directors appear throughout, to have indulged sentiments respecting the use and importance of the Company and its monopoly, which are not owned or felt by any other body of the community besides. They would seem to suppose, that the trade to India has been created by their own means, and their own merit; excluding wholly from their consideration, that their exclusive commerce is permissive and temporary, by a sacrifice for a term agreed upon, of the public right to their private advantage—and, by the peculiar indulgence of the British Parliament, acting, or supposed to act, for the public benefit and convenience, in allowing to the Company the means, which were found necessary to or for the furtherance of their alleged commercial purposes. Without these aids, what would have become of the Company's trade, or of their territory?

But with all the permission and sacrifice of the public, immediately and collaterally—would they have reared either the territory or their trade, to the height at which they have actually or fancifully arrived? No: certainly not. For the most careless observer, who is at all conversant with the Company's history, must see, that, from the first footing the Company obtained in India, to the

présent dazzling splendour of territorial possession, both the one and the other have been owing, not so much to the commercial or political enterprise of the Company, as to our naval superiority above any other nation, or all the nations put together, that have adventured to the Indian Seas. This has always given a protection and stability to the Company's trade; which the folly and misconduct of those, who have conducted it, have not been able to countervail. This has sustained it, against the weakness of individuals, or the ruinous tendency of the whole system of the Company.

Simple commerce, although it was the principle with which the Company first set out, has been long left in the rear in their journey, and has ceased to be the governing principle. It has been abandoned for years, as a minor and inferior consideration; and, instead of this, another has been adopted, of a quite different character, as the constant rule of action—we mean the desire of territorial acquisition. This has influenced, as strongly as the gainful influence of trade—pointing to the same end, the enriching of the Company, though not by the same means. In the one case, immediate interest has been the propelling cause; in the second, a more indirect influence—patronage and protection. What has so much tended to increase this as the possession of wide dominion; calling for the employment of a numberless host of public functionaries? From the use of this patronage the

Directors have been able to provide, by the way of patrimony for their relatives, and protection for their dependants; and have thrown the superabundance, the crumbs from their table, among the Proprietors at large; who have been content with their proportion.

This has been a contrivance that has grown out of the cunning of traffic, to find a circuitous course for the enjoyment of advantages, which they could not obtain in a straight and even way. It was not to be hoped that the public could have endured to see the Company going on from one permitted period to another, in money-getting arts, by their own sacrifice, without wishing to participate with them.

The reasonableness of this was well known and acknowledged by the Company, and by those having controul over their affairs; but, though known to themselves, was curiously concealed from the world. To blind the public more completely, provisions were held out for their participation in the Indian trade, in an indirect way; by giving them an interest in the surplus income of the Company, after the payment of their ordinary charges. But these provisions, if they were ever intended to produce any advantage to the country, do not appear to have done much credit to the capacity of those politicians who favoured them—they have miserably failed. The public, instead of drawing any benefit from them in alleviation of their burthens,

have been absolutely called upon to relieve the East India Company, overwhelmed, as might have been imagined from their flourishing statements, by the very weight of their riches.

The public have been deceived by the operation of provisions, whatever honesty there might have been in the design of them, in expecting an unreal good, and in helping to encumber themselves with a positive and absolute evil.

It is not our disposition to say any thing harsh or uncharitable, even upon failures so difficult to be reconciled with the hopes and promises originally held out with the utmost confidence, from the highest authority. But it is not to be wondered that there were those who, in the heat of political controversy, did not hesitate to assert that the assurances held out to the public were intended to delude, for that, otherwise, the delusion could not have been so complete.

The statute of 1793, and the charter founded upon it, so far as respects the commerce of India, contains principles destructive of the main end it seems to have had in view, namely, the benefit of the country, through the instrumentality of the East India Company. Profit must always be the grand stimulus to commercial enterprise — now what sort of incentive must the Company have, from the operation of this charter, to prosecute their trade with spirit, when others are to reap, with them, the benefit resulting from their enter-

prise? The principle is a most erroneous one, in point of commercial œconomy, and was soon successfully detected by the sharp-sighted policy of the East India Company; and instantly departed from for more exclusive and direct advantage—descried, as has been explained, in the more lucrative system of patronage.

Nor was this followed by any material inconvenience, or loss, in other respects; which might be supposed to militate against the newly adopted policy.

What amount, it may be asked, have the Directors themselves embarked in the trade, or capital, of the Company? Look to their stock in the Company's funds! and, it will be seen that not one half of them have more than 1000*l*. Indian stock—a bare qualification to the chair of the direction.

But what is it to them, so they can have the long list of appointments, from the Governor-general of India to the humble cadet, whether they make 100 or 150*l*. by the proceeds of trade. Trade must be not merely a secondary, but, rather, a wholly neglected, consideration, when opposed, on the other side of the account, to the vast amount of their patronage. It would be superfluous to pursue a topic any farther, so self-evident and so striking.

But, though the country has not derived all the good which it had been taught to expect from the Company's charter, it has, nevertheless, reaped, for which the Directors say it ought to be thank-

ful, a very perceptible and singular profit—and which the Directors assume much credit to themselves and their constituents for producing. Listening to their assertions, one would imagine that they imported vast annual wealth into the country, to the amount of several millions, by their commerce, far exceeding the prime cost of their importations, and the profits attached to them. But what reason have the Directors to plume themselves on this? Is the amount of duties of *their* providing? Or are they the mere *hand*, of which the public make use, in making their necessary contributions to the state? If paid by any other, it would come, in the same solid lump, into the coffers of the public treasury. Let us not hear any more of these imaginary notions, or illusive suggestions, calculated to deceive themselves; or, what is worse, to cheat and insult the common sense of the country. It is not less clear that the present system for the government of India will be as ruinous and mischievous for the Company, in the event, as it is unproductive and burthensome to the parent state.

In this latter part of our labour it has been our object (certainly an object for which we do not expect to derive much gratitude from those whom we would benefit, but still an object sincerely sought by us) to open the eyes of the Company, as well as those of the country, to their true condition. Their present state is, from obvious facts, as well



as from every serious consideration, so entirely unfitted for managing and monopolizing the trade of India, that it is not, in reality, consistent with commerce at all, more particularly from the assumption of the character of sovereigns, which would seem to be utterly at variance with commercial pursuits.

As all human power has its boundaries, beyond which it cannot pass, it may, rationally, be conceived that the sphere of sovereignty, into which the Company have diverged from the confined circle of trade, is large enough to engage all their attention, all their capacity, and all their resources; that it is sufficiently extensive to occupy all their thoughts and all their means. Let them devote themselves, night and day, to the well-being of their territories; to the agriculture and manufactures of India; and think of trade only, so far as to devise the best means of encouraging and improving, by every facility, which, as sovereigns, they can give the intercourse, which will be best and most properly carried on by those who are merchants and traders by profession. Let them, above all, study and labour for the happiness of their innumerable, and most virtuous, and amiable subjects. Let them improve the condition of those subjects, by securing their property, and by enlarging their means of acquiring it; among which means a free and properly encouraged trade, carried on by merchants properly so called, deserves the first rank. Let them secure

the due administration of justice by wholesome and steady laws, and by suitable institutions, for the administration of those laws. Let them abolish their vast and numerous boards—invented only for the purpose of increasing the objects of patronage—and lighten themselves of all the gaudy trappings, which are calculated to destroy the substance for a paltry and tinsel show. Let them amend and reform the judicial system; which, alone, demands an expenditure of near a million yearly. Let them narrow their frontier, and reduce it to a defensible circle, and confine their future wishes within it, and thereby diminish their enormous military establishments, and their vast diplomatic expenses. These are grand and immense objects, not foreign, but, on the contrary, most appropriate and essential to the welfare of the Company, and to the character and glory of the country; and with which is connected, more intimately than they choose to allow, the Company's very existence.

Do not these abundant objects require the Company's attention? and are they not numerous and weighty enough to demand and exercise the whole time, wisdom, and talents, were they even tenfold what they are, of the Court of Directors? These complicated concerns, if rightly attended to and arranged, may employ the Company, for years yet to come; and may find also employment for the co-operation and assistance of the Board of Controul.

Indeed it would not be a superfluous work if they both immediately set about the arrangement of a plan for the administration of their territorial affairs—convinced, as they must be, with the public, that the plan acted upon, so far from its having answered all those great ends anticipated of it, has served to involve the Company in an overwhelming debt—for which they have the slight and unsatisfactory, but, in ill success, the common consolation, of abusing one another.

Let them take prudence, though late, and attend to these things; they will then find their best interest in aiding and assisting the general merchants of the British empire in the establishment of a free and beneficial trade with their dominions; instead of attempting weakly, vainly, and most unwisely, to oppose their admission to that trade.

## APPENDIX.

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**IT** would not only be difficult, but for the present purpose, unnecessary, to go minutely into the East India Company's territorial or commercial affairs. It will suffice to state a few general results, as flowing from an investigation of all their accounts, made by an official organ ; which appears to have looked diligently into the subject matter, though from causes, which are explained, it has not come to such precise conclusions as might have been expected in an ordinary case.

On taking an account of the revenues and charges of the territorial possessions of the East India Company, for 17 successive years, namely, from 1792-3, to 1808-9, the latest period to which any accurate account extends, it is stated, " that the gross excess of the charges, beyond the amount of the territorial revenues, will be found to have been 5,078,015*l*." To which is to be added, not included under the ordinary head of commercial

charges, or the invoice price of goods, the sum of 2,916,279*l*. These charges comprise the salaries of the Board of Trade, subordinate commercial offices, factories, and import warehouses abroad. The entire disbursement of India will, therefore, in this view, be found to have exceeded the ordinary revenues, within the period of 17 years, taking good and bad together, as must be done in all calculations, in the aggregate sum of 7,994,294*l*.

In the same inclusive space, there is an increase of India debt, of no less an amount than 20,905,194*l*. ; to which is to be added the debt existing in 1792, amounting to 7,129,934*l*. : making, together, 28,035,128*l*. The excess of the debt, within the period of 1792—3 and 1808—9, was, in a great measure, occasioned by disbursements for the purposes of trade ; for as these were to be drawn according to the provisions of the statute of 1793, from the surplus revenue—and, as in the stead of *surplus*, there was almost a constant *deficit*—there was no other resource left to the Company than the borrowing of money in India, for their commercial speculations : no alternative presenting itself, but the utter abandonment of the trade.

Combining the excess of charges over the natural revenues of the Company, with their accumulating territorial debt (making a fearful total of 36,629,422*l*.) the public may form a tolerable

estimate of the prosperity of the Company's management of their vast territories, as well as the probability held out of the future success of their government.

To this brief account of the effect of the territorial management of the East India Company, are added a few facts and circumstances respecting their *Commercial* transactions.

It appears, from official papers, that the whole of the exports \* of the East India Company from this country, for the period of 17 years, from 1792—3, to 1808—9, and these including stores of every description, which may be presumed to constitute the greater part of the exports, amounted only to 11,554,218*l*. From which sum, also, is to be deducted 10 per cent. being the amount added by the Company to the invoice price of their goods and stores.

The sum credited to the Company, for the sale of such goods and stores, by the different Indian Presidencies for the like period, is 8,904,068*l*.

The advances made by the Indian Presidencies,

\* It has been shewn, in the preceding sheets, that the spirit of trade, if not depressed by the continuation of the monopoly of the East India Company, may be expected to increase in an incalculable degree the extent of the exports, which are limited principally at present to the supply of stores for the purposes of government.

for the same period, for the purchase of investments for importation into England, were—

26,038,226

Charges to be added, not included

in the invoices ..... 2,916,279

£.29,254,505

The sale of the articles, forming these investments, has of late years diminished in an almost incredible degree.

The sole amount of Indian goods,\* which stood in 1798—9, at ..... 4,667,295  
 was reduced in 1805—6 to ..... 2,254,899  
                   in 1806—7 to ..... 1,472,074  
                   in 1807—8 to ..... 1,309,080  
                   in 1808—9 to ..... 1,191,213

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\* The confined vent for the sale of the imports into this country from India, which must be supposed, from the state of the continent and commerce at this juncture, to be immaterial, will be extended, as the general restrictions of trade, from the operation of the continental system, shall be mitigated, or removed, and a fresh mart may be opened for the sale of Indian articles of produce and manufacture, in South America, and elsewhere; which may enable the general adventurer to India to dispose of the returning cargo, purchased by his exports—and so prevent it, even during the existence of the restricted course of trade (which cannot be imagined to exist for ever), from becoming an accumulation to the stagnate and perishing stock in the Company's warehouses.

In the transactions of trade between  
 March, 1803, and March, 1808, the  
 excess of payments above the re-  
 ceipts is estimated by the Court of  
 Directors at .....£7,433,855

But in a subsequent account, after an  
 adjustment of some disputable ar-  
 ticles, it is stated, in another offi-  
 cial paper, that within the last  
 17 years, the total supply by India  
 to England has been .....£42,178,640

Total return by England to India,  
 within the like period .....£43,808,341

Balance in favour of the latter only £ 1,629,701

But this balance, it is said, will be transferred  
 to the other side of the account, when a more par-  
 ticular investigation of the Company's affairs shall  
 be concluded.

It would exceed the purpose of this note, to  
 pursue the subject more minutely.

From the results noticed, it would seem clear,  
 that the exclusive trade of the Indian Empire is  
 too large for the hands of the East India Com-  
 pany :

That for a long series of years, their commercial  
 speculations, generally speaking, have not been  
 worth the pursuit :



That even on their own allowance, the profit of trade can never be regarded as a resource for the payment of the territorial debt—or, in their own words, “ It has always been perfectly understood, “ that, in the most flourishing times of the Com-  
 “ pany, their commercial resources could not be  
 “ adequate to the discharge of the Indian territo-  
 “ rial debt.”

That the discharge of the latter must depend on the reduction of the expense of management of the territory—and what a task that must be, may be gathered also from the Directors’ own admissions ; as follows :

“ What is most obvious and striking, is the  
 “ increase, not of the charges only, but also of  
 “ the debt, as the revenues increased, and not  
 “ merely in proportion to the increase of the re-  
 “ venues ; for whilst, from the year 1793—4, to  
 “ the year 1805—6, the amount of the revenues  
 “ has not been quite *doubled*, that of the charges  
 “ has been increased as 5 to 2, and that of  
 “ the debt nearly *quadrupled*, besides a very large  
 “ sum of debt transferred in the course of that  
 “ period to England.”

Whatever disputes may arise about the cause of the Directors’ complaint, the effect will not admit of question.

Should not these things convince the Company of their own unfitness to carry on the trade of the Indian Empire, and the propriety of resigning it to abler hands ; and of directing their whole thoughts to the revenue and charges incident to their territorial possessions ?



REMARKS  
ON THE  
RESOLUTIONS  
OF THE  
*Chamber of Commerce*  
OF  
Glasgow,  
RELATIVE TO  
THE OPENING OF THE TRADE  
TO  
INDIA & CHINA

---

BY A FREE MERCHANT.

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Calcutta.

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REMARKS  
ON THE  
RESOLUTIONS  
OF THE  
*Chamber of Commerce*  
OF  
GLASGOW.

---

KIRKMAN FINLAY, Esq. in the Chair.

THE object of the Chamber of Commerce of Glasgow, is to prevail on the British Legislature, by Petition, founded on the basis of their Resolutions, to lay open the Trade to India and China, by withholding from the East India Company the renewal of their Charter, which terminates on the 1st of March, 1814.

RESOLUTION THIRD.

“ THAT the Private Trade which the British  
“ Merchants were allowed to prosecute by the

“ regulation of 1793, as an experiment of its future  
 “ policy, is confined to the actual possessions of the  
 “ Company, limited to their own ships, under all  
 “ the disadvantages of uncertainty, expence, and  
 “ delay ; restricted both in the kinds, and quan-  
 “ tities of the outward and homeward-bound car-  
 “ goes ; removed from the controul of the proprie-  
 “ tors, and conducted in a manner, which seems  
 “ to have been intended to insure failure of suc-  
 “ cess ; but that the encrease of the trade, under  
 “ the pressure of these restraints, proves, beyond a  
 “ doubt, the extent to which it would have attained,  
 “ had it been left to its free and natural operation.”

If the extent of the actual possessions of the Com-  
 pany in India, is duly estimated, together with that  
 of our late acquisitions, the Chamber of Commerce of  
 Glasgow might almost be accused of being unrea-  
 sonable in their wishes ; but, if it is meant that the  
 coasting, or, what is termed, the country trade, of  
 India, should be open to the scope of their adventu-  
 rous ships, they might, with justice, be taxed with  
 the wildest notions of commercial speculation.

THE country trade of India, is almost entirely  
 in the hands, or conducted under the patronage, of  
 the

the great commercial houses of Calcutta, Madras, and Bombay. The natives, particularly those of Bombay, participate in it — With all the advantages arising from local information, a knowledge of the nature of the trade, the risks attending it, the character and abilities of the commanders and officers of the ships engaged in it, still, it is found to be full of hazard, not only from the intricate and dangerous navigation of the Eastern seas, but from the disposition of the natives of those countries, who are known to possess, in general, all the baser qualities of human nature.

THE various valuable articles to be found in the coasting trade of India are procured, not by bartering European manufactures, but chiefly, almost exclusively, by exchanging for them the coarse cotton cloths, and the opium of Bengal, and the coloured cotton fabrics of Madras, which, besides, are required to be of certain particular patterns.

It is a mistaken idea to suppose, that a part of the world, which has been successively visited by the Portuguese, Dutch, English, and French, all of whom, eager in the pursuit of wealth,



wealth, stimulated by a prepossessed notion of the rich productions of these Eastern regions, and whose fortunes depended on the success of their various enterprizes, would not become acquainted with the trade of these countries, in the time that has elapsed since they were first discovered. This trade has been long known, and carried on by the influence of the great commercial establishments of India; but it certainly could not be successfully conducted by ships fitted out in Britain.

THE small ports of India require to be supplied in detail. The navigators of country ships, from constantly visiting these places, and obtaining information, can, with more certainty, vary and proportion the requisite supplies, than the commanders or supercargoes of ships coming out from Europe, who must, in a great measure, remain ignorant of the changes that have taken place during the long period required to perform a voyage from the Western world.

ALLOWING that these ports could be supplied with Europe goods at cheaper rates, by ships coming directly out from Britain, than by the country ships, it cannot, reasonably, be expected, that if the trade

were

were open, the supplies would be limited to the extent, and means, of consumption. The ideas which our manufacturers have formed, at home, of the Eastern trade, give us every assurance, that they will be excessive.

If the markets of Calcutta, Madras, and Bombay, are often glutted, we may safely infer, that the case would be similar in the smaller ports, were British private ships allowed to sail direct from home to the Eastern seas, and with far greater inconvenience to the seller; for there are ways, and means, in large trading capitals, in times of difficulty, which, in places of lesser note, could not be found: where confidence is not established, there can be but little trade, and few resources; and, where the redress of grievances cannot easily be obtained, there will be many abuses.—Suspicion will be a bar to transactions, precious time will be thrown away, and no effectual business done.—The weary adventurers will thus pass from port to port, on their fretful voyage, and return disgusted and disappointed.

A question of very serious import to ship owners,

is

is involved in this coasting trade. It is an object of the Chamber of Commerce of Glasgow, that the country trade of India should be open to ships fitted out at home. Others are endeavouring, and it is said with some probability of success, to exclude the India-built ships from the trade between India and Great Britain; so that these last, in this event, will be considered as of an alien description, and confined to the Eastern seas, while the British-built ships will enjoy all the advantages of a free navigation.

WHATEVER the Legislature may determine on, in regard to the admission, or exclusion of India-built ships from the freedom of the trade between India and Britain, there can be no question as to the right they possess to the trade from one port to another, in India.

It were perhaps well, before we leave this part of the subject, to bring to our recollection, that the coasting *free* trade in the East, during the period of the Portuguese supremacy, “ was, a disgrace to  
 “ commerce, was ruinous in every principle, was  
 “ esteemed infamous, only fit for felons; and, in  
 “ order to its suppression, was taxed greatly beyond  
 “ the

“ the trade carried on by the natives.”\* The impossibility of punishing the perfidious conduct of those who carried it on, was the true cause of its degenerate character. The line of coast, from the Red Sea to China, together with that of the islands, is so immense, that neither the civil, nor military authority could reach these abandoned miscreants, who, accordingly, regardless of the laws, committed, with impunity, the most enormous crimes.

UNDER better regulations, and a greater extent of power, it is not to be apprehended that such deeds would disgrace the British adventurers, were the coasting trade laid open to our private ships from the mother country; but, where the curb of the law is but feebly felt, much is to be feared. Where a peculiar object is ardently sought after, temptations will often lead to excesses, and flagrant acts of injustice. Can any man doubt of the enormities that were committed on the coast of Africa by the English, during the time the slave trade was tolerated? A stronger proof than this cannot be given, of the proneness of our nature to tyrannise when individuals are stimulated by some ruling passion,

\* History of the rise and fall of the Portuguese empire in the East.

sion, and in situations beyond the reach of the law,

It must be admitted, at the same time, that under the efficient Government now established in British India, so great a degree of delinquency would not occur in the East. The Portuguese, from not having a powerful navy in the Indian seas, could not adopt a system of such extensive controul as what might be introduced by the British. Besides, commerce was not the principal object of the Portuguese. The objects of their government, were, by immediate force, to found a military empire in Asia, and, thus, procure a direct compulsory revenue for the Sovereign. Their India trade, a secondary consideration, was a complete regal monopoly. The ships were the King's. The factories were royal establishments. The goods were bought on account of the King. When brought to Lisbon, they were deposited in his warehouses. When sold, the produce augmented his treasury. All the offices were in the disposal of the Crown, and the supreme administration of Indian affairs was subject to the same authority. The laws of Portugal were brought to India without modification. The Catholic religion, under the dismal

mal eye of the Inquisition, was propagated with the utmost zeal. Destructive wars and massacres, the consequence of such unwise policy, made the Portuguese odious, and although by their courage and perseverance they finally broke the power of the natives, and of the Moors also, who on their arrival, they found the sole possessors of the trade overland between India and Europe, still the dominion they had acquired, stood on no solid foundation, and the Dutch, the English, and the French, guided by sounder commercial principles, soon became their successful rivals. The fate of the parent state, which at that time fell a conquest to Spain, completed the ruin of the Portuguese empire in the East.

HAD the governments of the Dutch, English, and French, left the trade of India to be obtained by the unconnected efforts of individuals, opposed to difficulties similar to those encountered by the Portuguese, it is contrary to reason to suppose they could have succeeded. The necessity, then, for the establishment of exclusive Companies, with privileges which gave them force and spirit adequate to a great national object, was apparent, and the event

has

has proved their beneficial tendency.

**BUT,** to return to the “ **RESOLUTION :**”

It is true, the tonnage is limited to the Company's own ships, or to shipping engaged by them. But as the latter description can be augmented according to exigency, and, being, principally, allotted for the investments of private merchants, it rarely, we are persuaded, occurs that, on timely application being made, freight, to any extent required, may not be had. We therefore conceive, that the inconvenience experienced by the private trader, in respect to tonnage, cannot, in any serious degree, affect his interests : and with regard to these ships being exposed to “ unnecessary expence, uncertainty, and “ delay,” all regulations, formed on a broad scale, are liable to the same animadversion. It is impossible that general rules can apply in every case ; but, if they are the best that circumstances will admit of, it is all that can be expected.

**RESPECTING** tonnage, we may mention a circumstance which the Chamber of Commerce are probably not aware of. Few articles sent from India to England, are adapted for dead weight, or ballast.

Saltpetre

Saltpetre, and raw sugar, are very fit for this purpose. The first, however, is, and will certainly continue to be, for political reasons, prohibited to private traders; and the other cannot be shipped to England, but at a considerable loss. How then, can individuals afford to ballast their ships? The Company have hitherto, invariably, provided this essential article. In the event of an open commerce, this circumstance, alone, will be seriously felt by the private trader.

The private merchants are not, altogether, “re-  
 “stricted in regard to the kinds, and quantities, of  
 “the outward and homeward-bound cargoes.” The power of restraining individuals from exporting piece goods, was granted to the Company by the act of 1793, but there is no instance of their having exercised that right. The British trader may bring out any thing, warlike stores excepted, and send home any thing, but saltpetre,—an article formerly contraband, only in time of war, but recently, by a public regulation, declared to be a monopoly in the hands of the Company.

•  
 WHEN we consider the various causes that must operate to influence the decisions of the Court of

Directors



Directors, and the government of India, in what relates to their commercial system, compared with those which actuate the private trader, it will not be difficult to discover, that the Company must, frequently, act on principles entirely different, often quite opposite, to those of the private merchant. The Company have many motives, independently of the state of the markets in Europe, for continuing to send home their annual investments. As sovereigns of the country, they are naturally led to encourage its internal industry by every possible means, and to keep alive in their extensive possessions, a spirit of activity and diligence with all their attendant good consequences, among the labouring classes, and to preserve many valuable branches of trade, manufactures, and commerce, from going to decay. Thus a large proportion of the revenues returns to its natural channels.

THE private merchant, on the other hand, is guided entirely by what he considers his own interest. When he finds the trade a losing one, he gives it up.

LET us apply these observations, under the idea that the trade had been laid open in 1793,

THE

THE Company's investments being laid in, on the principle, and, for the purposes we have just mentioned, it follows, that such a remittance must be uncertain as to its amount: When the state of the markets, at home, is not the only standard by which the commercial affairs of India is regulated, it is natural to suppose, that considerable fluctuations, greater than those which commonly attend commercial speculations, in general, will occur, in respect to the ultimate result of these investments, still, they are annually sent to England. The Company do not give up this uncertain trade, as the private trader would do. The scale of their transactions being immense, they can afford to take risks, far beyond the reach of the private trader: besides, what they may occasionally lose by their investments, is indirectly returned to them by the prosperity which this system gives rise to among their subjects in India.

IN such a competition, in the markets at home, the private merchant has little chance of success. We may then presume, that the importations, by private ships into the port of London, would not have encreased, under such circumstances, and, therefore,

therefore, the idea thrown out by the Chamber of Commerce, that the trade to India, had it been  
 “ left to its free, and natural operation, would have attained a much greater extent,” is, most probably erroneous.

THE elegant translator of Camoëns, in his “ History of the rise and fall of the Portuguese Empire in the East,” observes, when speaking of the commerce of Britain in general, and of that of the East India Company, in particular, “ If properly watched and defended, if not sacrificed to the dreams and dotage of theory, the grand machine of her commerce will ever render Great Britain both prosperous and formidable. In this grand machine, the East India Company forms a principal wheel. The *concentered* support which it gives to the public credit; the vast, and most *RAIONAL* home tax which its imported luxuries afford,—a tax which forms a *constitutional* source of revenue, ever in our own hands, never to be affected by the politics of distant colonies; the population which it gives to the *mother country*, by the domestic industry employed upon the staple commodities which it exports; and the essential  
 balance

“ balance of trade given and secured by the exportation of its imports, are the great and permanent consequences of the commercial system,—consequences which can never arise from the importation of the greatest revenue.”

#### RÉSOLUTION FOURTH.

“ That the merchants of the United States of America, availing themselves of the liberty which they have been allowed to enjoy, at the expence of our own people, have prosecuted the East India trade, in a manuer, and to a degree, which has enriched the individuals, encreased the national wealth, and supplied, as far as was possible, not only the continent of Europe, but South America, the West Indies, Turkey, the foreign ports of the Mediterranean, and even Malta, with East Indian commodities; thus by their industry, economy, and dispatch, compelling the Company to shrink from the competition, employing British capital in a trade which the laws of this country prevent its own subjects from using themselves, and possessing the incalculable advantage of contesting, not with the skill, and resources, of British merchants, but, with the prodigality, and negligence,

“ of a joint stock company.”

It cannot be denied, that the Americans have carried on an advantageous commerce to the East. Their industry, economy, and dispatch, are admitted ; but, to assert that they had compelled the Company, that great commercial Colossus, “ to shrink “ from the competition,” is an observation which could only be made by those who are not fully informed on the subject.

THE fact is, the Americans trade to India on, comparatively, a very inferior scale. They purchase goods of a secondary sort, nay, even of the lowest qualities—cheapness is the grand recommendation to American traders. The cotton goods they formerly used to buy in Calcutta, were of a quality, so wretchedly bad, that the circumstance of the native merchants finding purchasers for so degraded a manufacture, tended, in no inconsiderable degree, to depreciate the cotton fabricks throughout Bengal, &c , as from cloth being the principal article of the American cargoes, and cheapness the great object of the American buyers, this manufacture, especially, degenerated to the last degree ; and perhaps, it is not saying more than the truth, to allege, that

that the bad quality of the cloths taken to Europe by the Americans, may have, ultimately, led to that decided preference which the cotton cloths, made in England, have recently, acquired in the markets where they have met in competition, independently of improvements in cotton machinery.

ON the other hand, the East India Company having the entire command of all the productions of the country, whether artificial, or natural, on the spots where they are manufactured, or found, the advances being made, for this purpose, by their commercial residents, thus, secure for the homeward investments, manufactures, and raw materials of the first order, while the Americans must be content to pick up what they want in the bazars of Calcutta, Madras, Bombay, &c. subject, besides, to the various impositions of the natives.

THE coloured cloths made in the neighbourhood of Calcutta, Beerboom gurrahs, and Luckypore bastas, are the only kinds of cotton fabrics purchased in common by the Company and the Americans. But such as are bought by the Americans would not be received for the Company's investments, which are required of a quality far superior

superior. There is, in reality, no competition between them, neither will there be any between the Company, and the private British trader, in regard to their consignments from India to the port of London.\* The competition most likely to take place, in the event of the trade being laid open, is that between the British private traders, themselves, and between them, and the foreign traders. Their views will probably be directed to the same objects in India, and, not improbably, elsewhere. The Americans can never, with propriety, be said to be the competitors, and rivals of the Company, when they trade to the British possessions in India. Being traders on sufferance, the commerce they carry on could be crushed at once by heavy duties, if this were thought expedient. And, with respect to their supplying the continent of Europe, and the countries above enumerated, with East Indian commodities, as it is well known, that immense quantities of merchandize are bought at the sales in Leadenhall-street, for exportation, we have grounds sufficient for opposing a decided negative to this assertion. So far from their being able to supply any of these markets with goods such as compose the public investments,

vestments, they cannot, for the reasons already noticed, procure them.

### RESOLUTION FIFTH.

“ That the actual operation of the monopoly thus  
 “ appears to be directed, not merely against British  
 “ subjects, but, in favour of foreign nations.”

IN this resolution, the Company, are accused of throwing, by the operation of their monopoly, a large proportion of the India trade, into the hands of foreigners, to the detriment of British subjects.

THE Company, however, it must be recollected, did not, exclusively, engross this trade, which was carried on, also, by those European nations who had factories in different parts of India, established, first, by permission of the Native powers, and, afterwards allowed to exist, without experiencing interruption from the Company, during peace. It may be presumed, too, that these nations extended the trade as far as their capital, and the command of sales in Europe, enabled them to go. That although the Americans have never had commercial establishments in any part of India, and have yet succeeded by individual efforts, in the Eastern trade, it may be observed,



observed, that a number of concurrent circumstances, tended, greatly, to advance their views, and accelerate their success in no common degree. The operation of the present system can have no share in producing events which are merely adventitious. The whole of Europe, since the year 1794, has been, almost universally, engaged in war, since which time, up to the present, they have remained a neutral power, thereby enjoying advantages peculiar to their situation, not only in respect to the freedom of navigation, in general, but also, in having access to markets shut to us. If we add to these propitious causes, the progressive encrease in the consumption of Eastern articles, when their utility has been ascertained, which necessarily takes place in a nation advancing rapidly in population, and wealth, but possessing few manufactures of its own, we account in a great measure, for the extraordinary progress the Americans have made in the commerce to India. Even supposing the trade were laid entirely open to our own merchants, we could not look, with any prospect of success, to the probability of their withdrawing an inconsiderable proportion of that which the Americans now possess ; for the advantages they hold  
would

would certainly enable them to keep what they have already got:—this they can do as long as they are a neutral power.

### RESOLUTION SIXTH.

“ THAT no satisfactory reasons can be assigned  
 “ against opening the trade to China, because the  
 “ supposed delicacy of allowing a general inter-  
 “ ference with that people is completely removed  
 “ by the success which has attended the American  
 “ traffic; and the same means which have enabled  
 “ the Company to manage their affairs in China,  
 “ may be established under the authority of govern-  
 “ ment; because the ideal difficulty of the collection  
 “ of taxes, in the event of the trade being divided,  
 “ is fully obviated by the known safety with which  
 “ the duties are levied on articles of West India and  
 “ American produce; and, because the imagined  
 “ hardship of depriving the Company of the only  
 “ lucrative branch of their monopoly will be allevi-  
 “ ated by the wealth, influence, knowledge, and ex-  
 “ perience, which, in their united capacity, they  
 “ will still be enabled to oppose to the unassisted  
 “ efforts of private merchants.”

It may however, with truth, be said, that open-  
 ing

ing the trade to China would, at least, be making a very dangerous experiment, and putting a certain advantage at the hazard of the die. The trade to China is well conducted, and completely established, under its present form. Were it opened to individuals, it could not be carried on to a greater extent, as Britain, nay Europe, is regularly supplied with all the articles sought for, from that part of the world. Any competition, therefore, would lead to nothing but obstructions, and difficulties, of various kinds,—not to extending the trade, but merely to dividing it.

No trade, it is allowed, requires to be managed with a greater degree of delicacy, and forbearance, and to suppose that the British legislature would consent to changes that might disturb the good understanding which has, for so long a period, existed between the Company, and the government of China, for the sake of a bare experiment, seems to be indulging a hope on very slender grounds. Nor is this “supposed delicacy” in our apprehension, completely removed by the success which has attended the American traffic ; for, although the Americans are, certainly, the competitors of the company in the trade

trade to China, they, there also, labour under disadvantages. The Company's trade at Canton, is managed by their own servants, or supercargoes, resident on the spot. Regularity and good faith, in reciprocal transactions, have long been the grounds for mutual confidence between them and the Chinese government. The Americans are not on an equality with the English in China. It is a fact well known, that the latter, generally speaking, engross all the best, and finest, teas. Were the trade laid open to individuals, all the advantages which Britain possesses in China, through the medium of the East India Company, would be thrown away. A destructive competition would exist among ourselves, and the distinction which now prevails between us and the Americans as well as other nations, would be entirely lost.— The trade, thus divided, would be totally divested of its present character ; confusion, and distrust, would usurp the place of regularity, and confidence.— The Chinese, at a loss to account for our conduct, would at length, look upon us with a degree of contempt, proportioned to the imbecility of our proceedings, which to them, would have the appearance

of

of insanity.

BUT, say the "Resolutions," "the imagined hardship of depriving the Company of the only lucrative branch of their monopoly will be alleviated, by the wealth, influence, knowledge, and experience, which, in their united capacity, they will still be enabled to oppose, to the unassisted efforts of private merchants "

If the "Resolutions" be correct in stating, that the trade to China is "the only lucrative branch of the monopoly," it seems very extraordinary, to say, that, in the event of its being divided, the hardship would be *imaginary*. And, we must confess, that to associate the opposite ideas of "prodigality, and negligence," with those of "wealth, influence, knowledge, and experience" as applicable to the East India Company, appears to us hardly compatible, especially as it is an undoubted fact that they surpass all traders to the East, whether public bodies, or private individuals, in respect to the quality of the merchandize they send home, and that, from the immense scale of their transactions, they may appear to be prodigal, when they are only acting in character.—We should condemn the statutory

who put a switch in the hand of a Hercules.—

BESIDES, if the Glasgow merchants want an outlet for their ingenious manufactures, in the extensive empire of China, they must have, unaccountably, overlooked the circumstance of the Chinese, being, themselves, amongst the most ingenious, and industrious, people on the face of the earth; excelling in almost every kind of manufacture, whether elegant, or useful; producing them, by manual labour alone, at a price so moderate, that it would astonish even those conversant in the wonderful machinery and scientific labour, employed in Britain, for the cheap production of our manufactures.

THE government of such a country will naturally be jealous of admitting the commodities of other nations, and, accordingly, the policy of the Chinese commercial laws is strongly directed to the encouragement of their own manufactures, and to the prohibition of almost all foreign productions.

THE demand for such British wares as the Chinese admit into their territories, has been abundantly supplied by the Company, and invariably answered in the progress of its,  
gradually,

gradually, encreasing extent. This our own manufacturers know, who have even declared in respect to woollens, that the immense quantity of that article sent to China, by the Company, has operated as a cause to raise the price of these fabrics in the home market, so as to make them apprehend the loss of their purchasers on the continent of Europe. This shews, that the Company have promoted the growth of the woollen manufacture in no small degree ; and the large quantity of Tin which they annually export to China, on account of the proprietors of the mines in Cornwall, without even obtaining a profit on it, proves their readiness to encourage as far as possible, the exportation of this important raw material : but Lord Macartney's embassy might convince us, that the Chinese have, independently of political motives, an aversion to receive our manufactures, in general.

#### RESOLUTION SEVENTH.

“ THAT the natural effect of throwing open the  
 “ Charter, will be, to excite a fair emulation, to  
 “ bring all the produce of the East to its proper  
 “ level in this country, to enable our manufacturers  
 “ to exert their skill, and industry, with advantage  
 “ to

“ to produce new sources of trade, and thus to give  
 “ full employment to the operative classes of the  
 “ community.”

THIS reasoning, certainly appears very patriotic — Innovations, however, it must be admitted, should be made with the gentlest hand. Were this new system, so strongly recommended in the “ Resolutions,” adopted, and allowed, all at once, to operate, what would be the consequence? How many sanguine speculators would be ruined, before the level here alluded to, could be found? It is visionary to suppose, that such a complete change would not be attended with considerable disadvantages, even supposing that the new plan proposed were the better of the two.

It is not a difficult task to find out imperfections in a system, but it is for the hand of wisdom, joined with that of experience, to correct them in such a way, as that they shall disappear, gradually, without exciting apprehension, or occasioning inconvenience— We prune the tree with a prophetic eye to its future luxuriance, and do not cut off a large and fruitful branch, because it overshadows a number of small shrubs, which perhaps, but for its shelter had never existed.



existed.

### RESOLUTION EIGHTH.

“ THAT the system of confining the East India  
 “ trade to the Port of London, is unnecessary,—  
 “ unjust,—and, impolitic.”

THIS is strong language, and we are naturally led to look for strong arguments, in support of these assertions. It is said to be, “ unnecessary,—because the duties may be collected with equal case, and less loss by pilfering in the out ports”—This appears to be more than doubtful —The Revenue establishment would require to be enlarged, if India goods were unloaded at the out ports: and, if the docks, and other conveniences, which London possesses in so eminent a degree, are of essential use to commerce, it will not be disputed that this port has advantages, which, while they admit of the easy collection of duties, provide also for preventing pilfering.—“ Unjust,—because every mercantile place “ in the United Kingdom, is entitled to the same privileges.”—This is admitted, in as far as the system is connected with privileges. To enumerate all the advantages which London possesses over the

the

the out ports, would be tedious, perhaps invidious. Suffice it to say, that this capital being the grand emporium of trade, the central point where merchandise of every description is collected, the resort of foreigners who come for the purposes of commerce, where general information is easily obtained, and, where all large payments are usually made, circumstances which, without going further, give it a decided superiority, that therefore, the principle of *expediency* will alone account for London, being the most fit place in the United Kingdom for transacting business, which supposes a freedom from difficulty in making up assortments of goods of various kinds, the assemblage of purchasers from different quarters of Europe, useful information acquired, and the ready command of resources.

“ Impolitic,—because the superior economy and  
 “ dispatch which prevail in the outports, are re-  
 “ quisite to secure an equality in competition with  
 “ foreign nations.” This is the first time we have  
 ever heard of the outports being brought into comparison with London, in regard to the quick dispatch of affairs. We have always been led to believe that, where the division of labour takes place in the  
 greatest

greatest extent, *there* would be found the greatest facility in conducting the details of trade. That this division of labour, in that immense capital, is found to exist in the various branches of every art and profession, to a surprising degree, will not be denied. This has undoubtedly led to that thorough knowledge which the merchants, manufacturers, and traders in London possess of their immediate vocations. Indeed, they are, in general, so remarkable for a superior readiness of apprehension in matters relating to business, for a dexterity and skill, altogether wonderful in conducting and managing their particular employments, and, the higher orders of them, for a character of decision, and promptness, in the determination of the most intricate commercial speculations, that we have always been accustomed to look on the merchants, manufacturers, and traders, of the metropolis as having, in these respects, a claim to our admiration. We may then, from such facts, hazard the conclusion that, if "the equality in competition with foreign nations" is any where to be secured, it must be in London—and if superior dispatch is proved, superior economy is implied.—Even should the "Resolution" allude to the Com-  
pany's

pany's sales, it will not apply, when the nature of these sales is considered ; for, although the circumstance of their taking place at distant intervals carries with it an appearance of tardiness, there are advantages arising from this mode, which will occur to every one. But, when the sales do take place, they are conducted with a degree of celerity and dispatch, that is almost incredible to a person not well acquainted with the way of proceeding. Besides, the great extent, and variety, of the assortments announced for sale, afford grounds for competition, such as no out-port could possibly command, or expect to see.

### RESOLUTION NINTH.

“ THAT the very existence of a beneficial prosecution of the East India trade by this country, seems now to depend on the restoration of its freedom, as it is proved, by undeniable documents, that if it be allowed to remain in its present limited form, it will languish, decay, and pass into the hands of other states.”

DURING the latter years of the reign of Charles the Second, and the whole of the reign of William the Third,

Third, the rights of the East India Company were not securely established, as they were a grant by royal charter only. The ambiguity of such a tenure gave rise to much confusion from the interference by private traders which it did not exclude, and the evils arising from a collision of interests increased to such a height, that Parliament bestowed on a new Company certain peculiar advantages, the basis of which now exist. This put an end to the various contentions that had taken place during the existence of disorders at home, and ill-defined privileges abroad. From the period to which we allude, the enlarged capital employed in the trade to India, and the experience of those who directed its application began to operate, and the gradual display of the efficacy of these wise measures may be traced in the pages of our own history.—In the subsequent arrangements between the Government and the Company, while a due regard has been paid to the wishes of the private traders, such salutary restrictions as might prevent the recurrence of the evils we have hinted at, have been adopted.

From these circumstances it appears that, until the privileges of the Company were clearly defined; and  
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the private trade judiciously restricted, the commerce to India did *not* succeed, and we may therefore infer, that “ the restoration of its freedom ” would only open a door for the readmission of confusion and disorder.

To what has been here advanced we may add an occurrence of modern date. In the year of 1801-2, a season of scarcity at home, twenty-three ships were permitted to come out to India from the port of London, for the purpose of taking to England 4-5ths of their cargoes in rice, for which the British government allowed a price that gave a handsome profit to the shippers. The whole of these vessels, whose united burthen amounted to 12,442 tons, brought out extensive investments of British goods, which so glutted the markets in Bengal, that they were sold off at immense loss—we have in this instance, an epitome of that which would be the result of the open trade on a large scale.

In opposition to facts, nothing can be brought but speculative opinions, and wild assertions. But to say that, if “ the trade be allowed to remain in “ its present limited form, it will languish, and “ decay,”

“decay,” is a prediction which appears to us to be expressly at variance with an opinion declared in the “Resolution,” already noticed, viz. “but that the increase of the trade under the pressure of these restraints proves, beyond a doubt, the extent to which it would have attained, had it been left to its free, and natural operation.”

THESE two opinions, either involve a direct contradiction, or lead to a fallacious inference; for, if the trade has flourished under restraints, it, surely, does not follow that it shall decay, if these restraints are not removed?

WITH regard to what is afterwards asserted, it would be satisfactory were we informed, how the trade of India can fall into “other hands,” as long as we continue masters of the country, giving it laws, and having the complete command of all its resources? To take the trade of the country from us, would therefore imply its total conquest.

#### RESOLUTION TENTH.

“THAT the danger supposed to arise from excess of speculation, at the commencement of an open commerce with India, is altogether imaginary, because

“ because, the enterprize of individuals is uniformly circumscribed by their *means*, and *success*; because, any evil of this nature, is temporary, and checks itself, and, because, the very worst that can occur, in the event of the abandonment of the trade by the public, would be, that matters again, would return to their present state.”

EXPERIENCE justifies our saying, that the evils of excess in speculating to a new country, are *not* “ imaginary.” Such is the eagerness for a new market, among British traders, and however surprising it may seem, it is certain that there are many people who are guided, in their commercial speculations, by the proceedings of others, and, without having information on which they can depend, trust to appearances, to reports, to vague opinions and conjectures, and from carrying into execution their ill-digested plans, interfere with those who set out on sound principles and with accurate intelligence. The markets are thus filled, not only with goods unfit for the demand, but also, with such as are fit, the latter however, in quantity so far beyond the possibility of consumption, that, whether the goods are suitable for the market, or not, the event is the same.



same. Many instances, fatal to the interests of our merchants, and manufacturers, might be brought forward to prove this. But the recent one, which occurred in South America, were, of itself, we think, sufficient to convince us, that, if this spirit of adventure, does not belong exclusively, to every individual of the commercial body, there are still many of that class, who are ready to dart at every market of this description. It is enough that the object be new, to be desirable: Ships are immediately fitted out, and dispatched to these unknown regions. They arrive, and the bubble bursts. The disappointed speculators—those who had information, and those who had none—are now on a par.—They are involved in the same inextricable difficulties.

It will, no doubt, be remarked, that this account cannot apply to India, which is not a new country. If however, we except a very small number, the British nation are, certainly, as little acquainted with India as they are with Kamskatka. It is generally imagined in Britain, that, because India is a country of vast extent, containing an immense number of inhabitants, it must necessarily, be a field for  
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an extraordinary consumption of our commodities. Those who hold such opinions, do not consider that India is well supplied with its own artizans, who can produce, almost every article fit for the comfort or convenience of life. If we except the Company's outward-bound cargoes, articles of luxury are those, chiefly, required for India,—but these are imported, not for the demand of the natives, but for the supply of the Europeans resident in the country,—a fact which will sufficiently account for the limited quantity of British commodities consumed, compared to what might, under the existence of a different order of things, be expected to take place in an immense extent of populated territory. It cannot be urged, that by degrees, the people will acquire a taste for our manufactures, and thus be induced to a more general use of them. The poverty, of the great mass of the population entirely excludes them, and the habits and religious prejudices, as well as the confined sphere of the wants of every class of the natives of Hindostan, will, for ever, be a bar to the realization of such an event. If we take into consideration also, the circumstance of their own manufactures being particularly well adapted

adapted for the general use of a warm climate, and that their utility is no less obvious than their cheapness, we give satisfactory reasons for the error into which those have fallen, who imagine, that a free trade to India would open up a new and immense mart for British manufactures. The Chamber of Commerce of Glasgow will learn with no less surprise than disappointment, that the markets of India for European goods are frequently overstocked, and glutted to such a degree, that many individuals who have had long experience in the trade, who, besides, from their situations as commanders of the Company's ships, are allowed a considerable quantity of tonnage free of charge, who have also the advantage of being on the spot themselves to superintend the sale of their goods, are yet often subjected to considerable, and, unavoidable, loss, in a market notoriously fluctuating.\*

THAT "the enterprize of individuals is circumscribed by their *means*, and *success*," is no security against the effects of unlucky speculations: for without *success*, which, in such cases, is always doubtful, the *means* must be wanting.

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\* This is particularly exemplified in the current season 1812.

THE Legislature will always endeavour, through the operation of salutary laws, to provide against evils that might lead to disastrous consequences to the community at large, but, their attention will be more particularly directed to whatever might affect the commercial, and manufacturing classes, which, being subject, more than any other, to the influence of causes very remote, and not always clearly seen, require the fostering hand of government to guide, and direct them, on general, and enlightened principles. To say, then, supposing the experiment to have been tried, "that the worst that could occur, " in the event of the abandonment of the trade by " the public, would be, that matters, again, would " return to their present state," is treating the subject too lightly. Do the gentlemen of the Chamber of Commerce seriously think, that matters would revert exactly to the state in which they were before the experiment was tried? The abandonment of the trade by the public implies this, that a train of misfortunes had compelled the public to give it up, or, in other words, that those engaged in it, had suffered in their fortunes, or, been entirely ruined, by making the experiment.

**If** ever there was a case that demanded the interference of the legislature, to prevent extensive mischief to the commercial, and manufacturing, interests, it is the present.

**Were** the trade to India and China entirely laid open, at once, an alteration so injudicious, would strike at the roots of all our old, and established, commercial relations, and probably lead to political changes that might ultimately shake the fabric of our Empire in Asia. Such wavering policy would hold us up to the world as objects of ridicule. The error would be found out when the time for remedy was, already, past. After having lost, forever, the ascendancy which the integrity and energy, of the British character had gained, in the Eastern world, during the long period of a century, the wreck of our former power would be the melancholy testimony of our folly.

**We** fully go along with the Chamber of Commerce of Glasgow in their

#### **ELEVENTH RESOLUTION,**

**" THAT at a time, when the Anti-commercial  
" system of France, has been successfully exerted  
" to**

" to exclude us from the continental markets—  
 " when the prosecution of an expensive war renders  
 " it necessary to adopt every means for augmenting  
 " the revenue, and when our existence, as a nation,  
 " depends, in a great degree, on the maintenance of  
 " our naval superiority, it has become, not only  
 " highly expedient, but, indispensably requisite, to  
 " open up every legitimate channel of trade for the  
 " preservation of our commercial, maritime, and fi-  
 " nancial, interests ;" — only, we must be cau-  
 tious not to open up channels of trade that may lead  
 to a deterioration of these important interests, by  
 grasping at too much, and justly appreciate those  
 which have been long explored, and which have  
 yielded their treasures to our industry, for ages.

#### RESOLUTION TWELFTH.

" THAT this Chamber, fully satisfied, that the  
 " injury arising from any monopoly must be pro-  
 " portionate to the extent of the trade thus con-  
 " fined, convinced of the importance, and, even the  
 " necessity of a free intercourse with the rich, po-  
 " pulous, and extensive countries in the East, as  
 " well those formerly acquired by the Company,  
 " as those lately subdued by his Majesty's arms ;  
 " and

“ and dismissing the idea of all interference with  
 “ the territorial rights, and political privileges of  
 “ the Company ;”

*Resolved*—“ That petitions to both Houses of  
 “ Parliament, founded on the basis of these Reso-  
 “ lutions, be immediately prepared, and presented,  
 “ before the approaching discussion ; that the re-  
 “ port accompanied by these Resolutions, be print-  
 “ ed, and communicated, to members of both hou-  
 “ ses, and transmitted to every commercial, and  
 “ manufacturing, town, of importance, in the Unit-  
 “ ed Kingdom ; that the co-operation of the na-  
 “ tion, at large, be earnestly, requested in petition-  
 “ ing Parliament, to refuse the renewal of the East  
 “ India Company's monopoly, and, that Messieurs  
 “ &c. &c. &c. be appointed a Committee, with full  
 “ powers to carry the above Resolutions into ef-  
 “ fect.”

“ THAT the injury arising from any monopoly  
 “ must be proportionate to the extent of the trade  
 “ thus confined” is a sweeping, general, assertion,  
 the solidity of which may be questioned ; for ex-  
 perience obliges us to confess this melancholy truth,  
 that commerce, under certain specific circumstances,  
 cannot

cannot be carried on but by the agency of a great public establishment, the capital, and resources, of individuals, as well as the authority they can expect to acquire, in foreign nations, being too limited, and subdivided, to cope with the difficulties, disappointments, and losses, incident to a complicated commercial intercourse, of magnitude, with distant countries.—The unsuccessful experiment made by Oliver Cromwell, who put a stop to the trade of the Company, and thus gave a fair opportunity, during five years, to adventurers to embark in an open trade, which, however, ended most ruinously for them, is an eminent example, on record, of the truth of what we have advanced respecting its fatal tendency.—And although circumstances have, considerably, changed, since that period, yet they certainly have not undergone so great an alteration as to make a total change of system obviously, and imperiously, necessary, the more especially, as it is evident to every one, at all informed on the subject, that the Company's trade from Britain, to their own territories in India, has, in the arrangements for a *regulated trade*, long ago, lost the peculiar characteristic features of a monopoly, a term which can only with propriety be applied to the commerce to  
China.



**China.**

**THE** Company's Bengal outward-bound cargoes, consist generally, of iron, lead, copper, and all kinds of ship stores and warlike stores—woollens of coarse qualities, stationery for the public offices, medicines for the army, and civil stations, and other articles of minor consequence. The ships which touch at the Island of Madeira, bring out also considerable quantities of Madeira wine, for the use of the hospitals, and for sale.

**THE** Company's Bengal homeward-bound cargoes, consist of saltpetre, indigo, cotton wool, raw silk, cotton fabricks of various kinds, silk manufactured goods, sugar, and spices, &c. &c.;—all these articles, we have already observed, are laid in by their own servants, with the exception of the indigo, which is bought from the manufacturers, and the whole are of the best qualities procurable in India.

**THE** outward investments of the private trade comprise a great variety of British manufactures, beer, French wines, &c. brought out, chiefly, for the consumption of the Europeans settled in the country, who are already, on the present limited system, abundantly.

abundantly supplied.

THE homeward investments of the private trade include articles mostly of the same species as those imported on the public account, but, generally, for the reasons already assigned, of a quality very inferior to that of the goods shipped from India by the Company.

Now, we shall suppose, that the trade is laid open, by which we understand, that British merchants, are allowed to fit out ships for India, loaded, according to their own extravagantly exaggerated ideas of the trade, and destined to return, under similar circumstances.—Here, then, is the commencement of the direct rivalry, between the Company, and the private merchant. If the Company continue to send out their own supplies, which they certainly will do, and also, to send home, as formerly, their own cargoes, laid in under all the favourable circumstances above-mentioned, what has the private merchant gained by the opening of the trade? If the private trade, outward, is already on a scale sufficiently extensive, for the full, and, often, superabundant, supply of the markets, and the private trade, homeward, must still be opposed.

posed by the trade of the Company, as hitherto, who will continue to possess peculiar, local, advantages in India, from being the Sovereigns of the country, we may, again, ask what has the private merchant gained by the opening of the trade? If, then, the aggregate quantity of merchandise, and manufactured goods, sent out, from the want of purchasers, could not be augmented, without glutting the markets, and the aggregate quantity of Eastern commodities sent home, could not be extended, during this time of universal hostility, by any new measures, in what respect have our merchants, and manufacturers, at home, benefited by the trade being made free? And, finally: If the present system, with some modifications, be of a nature to admit of every possible degree of increase, in the event of more auspicious times, both in the outward, and homeward, trade, which is the opinion of the most competent judges, why should such a system be entirely done away?

CONVINCED of the importance of the subject, we have been led to animadvert, freely, on these "Resolutions," as they promulgate opinions, which, in our conception of them, are detrimental to the very interests, they are intended to support. Coming, as they

they do, from a body so highly respectable as the Chamber of Commerce of Glasgow, and meeting the public eye under the plausible form of *Resolutions*, a term which implies mature deliberation, the mischief they might produce is the more to be apprehended; and especially, as they carry with them a species of authority very much calculated to impress an idea of truth on the minds of the uninformed, and, thus, lead to general dissatisfaction, and to a belief (in the event of Parliament deciding in favour of the Company) that the Legislature had disregarded the just claims of the mercantile, manufacturing, and commercial classes.

THE object of these remarks is, to endeavour to persuade such as may not have investigated the subject, to doubt, at least, the validity of the assertions of the Chamber of Commerce of Glasgow, and, to suspend their judgment until they shall have informed themselves, when, we are persuaded, they will be convinced, that the reasonings of the “*Resolutions*” are merely hypothetical.

IN the mean time, we, willingly, believe, that the Chamber of Commerce of Glasgow, are actuated by the purest motives, and that on a further, and,  
more

more impartial, enquiry, into the nature, and spirit, of the commerce to the Eastern world, they will see, that the total revolution they recommend, would lead to consequences the very reverse of those which have come under their contemplation.

THE END.

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A. G. Balfour, Printer.

**OBSERVATIONS,**  
**ON THE**  
**TERRITORIAL RIGHTS**  
**AND**  
**COMMERCIAL PRIVILEGES**  
**OF THE,**  
**EAST INDIA COMPANY,**  
**WITH A VIEW TO THE**  
*Renewal of the Company's Charter;*  
**IN A LETTER TO A**  
**MEMBER OF PARLIAMENT.**

~~~~~  
 "The maintenance of the MONOPOLY of the EAST INDIA COM-  
 "PANY, is even more important to the POLITICAL INTERESTS of  
 "the STATE, than it is to the COMMERCIAL INTERESTS of the  
 "COMPANY."

*Right Honourable Henry Dundas's Letter, 21st March, 1801.*

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**1802.**



## ADVERTISEMENT.

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THE following pages are, the substance of several Letters, written in the course of the last summer, on the policy of renewing the Charter of the East India Company. These Letters had the good fortune, in their original shape, to make an impression, favourable to the view of the writer, on the mind of a distinguished Member of the House of Commons, to whom they were addressed; which induced a subsequent request, on his part, that they might be communicated to the public in a connected form, with some scattered notes on certain heads, which appeared to stand in need of explanation, from the loose manner in which they were originally treated. A request so flattering the Author could not withstand; but



he fears lest it may have betrayed him into the weakness of believing, that the effect of his observations may be general, when all their influence is owing to private and personal partiality.

OF THE  
POLICY OF RENEWING  
THE  
EAST INDIA COMPANY'S CHARTER.

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TO ———, M. P.

DEAR SIR,

You entertain too high a notion of my knowledge of Indian affairs, in supposing that it may enable me to afford you any material information on the almost inexhaustible subjects, connecting themselves with the renewal of the East India Company's Charter. It is true, that, like many others, I have resided several years in the East, but have not brought away with me, I am afraid, so much local intelligence, as might be thought to correspond with the length of my residence. This may be ascribed, in some sort, to my not having been employed in the service of the East India Company; a circumstance, that might have opened to me various sources and opportunities of information, which are closed and denied to the merely licensed sojourner, who is usually left to find his way by his own lights, and his own researches. But though this circumstance may abridge the sum, and the value, of what I may have to com-

municate, it will have the advantage of flowing from a pure fount, uncontaminated by a suspicion of partiality or of prejudice. Whatsoever I possess, you have a right to demand—~~and~~ impart it without further apology.

I entirely agree with you, in thinking, that the question of the renewal of the Charter is agitated at an unfavourable season, and under circumstances most inopportune. The confined state of our external commercial relations, from the political situation of Europe, and consequent mercantile distress, have made our manufacturers and merchants most anxious for the discovery of available openings for trade, and naturally jealous of every species of exclusion. It is not to be wondered, then, from the known operation of individual interest, that men should look to their supposed immediate good, rather than to more remote advantage, by seeking the extension of the trade to India, with the expectation of gain to themselves, though it should be at the hazard of the safe course, in which it has been hitherto conducted, and of the national benefits derived from it. The interests and passions set in motion by the influence of these exciting causes, have been, unadvisedly, and certainly unintentionally, aggravated by a general and loose declaration of an official organ, giving colour and countenance to the clamour, universally raised, for a free and open trade.

I shall not stay to enquire into the motives of Ministers, whatever they may be, whether proceeding out of large political considerations, personal or party relations, or official apprehensions, that have led them to declare in favour of the public pretension to the participation of the Indian trade: I lament, only, that such declaration

has been unfortunately made, and in so unreserved and unqualified a manner; without any explanation of the policy inducing it, or the objects it has in view. Without a developement of this nature, the public may form, as it is to be feared they have done, erroneous and extravagant notions, that Ministers never meant to raise, and may not be permitted to realize; but which, when once indulged, it will be difficult to repel by reason, or subdue by authority.

There is, apparently, a wide and sensible difference between the expectations of the mercantile world and the intentions of Ministers, so far as they are expressed, as to the meditated extension of the trade to India. Each of these opposed parties agree in principle, though they differ in degree, as to the participation of commerce, to which the public ought to be admitted, within the chartered limits of the Company: and neither of them wish to interfere, it seems, with the territorial possessions, or with the establishments, civil or military, by which they are governed and protected. The latter they would leave untouched; so that a commercial intercourse, more or less, be permitted with them, and with other friendly local states, within the circle of the Company's boundaries. So that the simple question, whether the Charter shall be renewed or not, is not likely to arise for discussion, or, if it do, it will not seemingly encounter any contrariety of judgment. It is determined, on all sides, that it be renewed, though with certain modifications, according to the different conclusions of men, as to the latitude or quality of them.

I congratulate you and the House most sincerely, that you are not again exposed to any difficulties and

embarrassments about the principles of government, adapted, or supposed to be adapted, to the British Indian possessions—to the power to be lodged in the hands of those exercising the chief authorities, or the manner of using it. These, as we hear of no material intended regulations, may generally be understood as standing on a safe and fair footing; free from the reproach of arbitrary rule on the one hand, and of oppression on the other. The revolution of the public sentiment in this respect, even in a time of general ferment, is not less complimentary to the national justice, than it is honourable to the East India Company; who, by a wise policy, in awarding a most ample provision to their public functionaries, have removed the temptation to offence, and have secured the fidelity of those in trust, by raising, in every well-constituted mind in their service, so general an abhorrence of abuse, as to render the practice of it dangerous, and consequently rare. Thus, from the acknowledged melioration of the administration of the powers of government, and improvement in the condition of the native subjects of India, no nice and perplexing considerations will present themselves, that might have a tendency to shake the established rule, together with the very foundation of our eastern acquisitions; and, eventually, by the change and shifting of power, from known to unknown hands, might endanger and overturn the hitherto equipoised parts of our own original and happy constitution.

But though this evil be removed by time and fortunate occurrences out of the way of the Legislature, while devising or fixing a future government for our eastern possessions, its deliberations will not be unembarrassed

by evils of another sort, which the times and circumstances have engendered. If the Legislature be not called upon to protect the rights and interests of a distant and foreign people, it will be importuned with a loud and boisterous clamour, arising out of imaginary pretensions and grievances, at its very door. Hence the evil escaped, may be more than counterbalanced by the evil super-added.

It would seem to require extraordinary prudence to moderate the public expectation, stirred and animated as it is at this time by public feeling; and more especially as that feeling has unexpectedly received a stimulant, where some would have looked for a corrective or check. Whether Ministers, from a want of confidence in their yet untried strength, or from a desire of conciliating the public mind to their initiatory measures, at first inconsiderately gave way to the popular pretensions, it is not necessary to examine, nor material in the issue. They have since had time to reconsider their act, and what is still better for their ministerial reputation, and, perhaps, existence, they have had an opportunity, by a dissolution of Parliament in the interim, of placing their power on a more ascertained, if not on a more permanent footing, if they have the wisdom and the courage to adopt a course congenial to their station, to act on their own policy, unswayed by the cry of the giddy crowd on the one hand, or powerful solicitation on the other. Such a conduct is more open to their adoption, from the circumstance, which for another purpose has been condemned, that, though they have pledged themselves to admit the public to the participation of the Indian trade, they have not bound themselves to any precise plan, by which it is

to be regulated, or the exact extent to which it is to be carried. All that the Board of Controul, speaking for Ministers, have at present declared, is, that the public shall be admitted, by the new Charter, to share in the trade, with the single exception of China, within the limits hitherto reserved to the exclusive commerce of the East India Company. This concession, however, is not absolute, but circumscribed by terms, to be hereafter discussed and adjusted by the Legislature, in contemplation of the rights of the Company, already in possession of the entire trade, and the indispensable means of prosecuting it. There is a safe interval for repentance, which, if Ministers do not embrace the benefit of for themselves, it is to be hoped, that the Legislature will employ, in carefully and cautiously examining their questionable policy.

Whatever the views of administration may be, it is yet to be learnt, what *remote* advantages are to be expected from the intended modification of the Company's Charter, for the prospect of *present* good they profess to disregard themselves, and to discourage in others.\* The Public,

\* Observe what *Lord Melville* says on this subject, in his Letter of the 21st of March, 1812.

" You will do me the justice to recollect, that in all our discussions on this subject, both recently, and on former occasions, the admission of the ships of merchants in this country into the trade of India, in concurrence with those of the Company, has never been urged as a measure, from which much immediate benefit would, in my opinion, be derived, either to the country, or to the individuals who might embark in the speculation; and I am certainly not without considerable apprehension, that, at least, on the first opening of the trade, the public expectation, as to the British territories in India affording any considerable outlet for British manufactures, beyond the amount of our present exports, may be disappointed."

on the other hand, under the influence of a partial patronage, demand a full, free and unbounded enjoyment, as of natural right, of all the branches of Indian Commerce. They look at India, without reflecting on the length and nature of our intercourse with it, as a vacant soil—open to the cultivation of every adventurer, who shall think fit to cultivate it—a productive, rich field, to which they have a right, equally with the Company, in common parcenage ; and hence they set up a loud, undaunted cry, as if it had never been before urged and silenced, against monopoly and usurpation.

You, who are not unacquainted with Parliamentary History, must know, that “MONOPOLY” has been the constant warhoop against the Company, for more than two centuries, so often as the renewal of their Charter has fallen under discussion ; and that it has always been put down, as often as it has been raised, by the voice of reason and sober sense. It has gained additional strength of late, by the added vociferation of political speculators, who in an indiscriminate zeal, would confound, without distinction, the Company’s peculiar and qualified privileges, in a common condemnation with ordinary monopolies ; which are and ever must be odious. This would seem to make it necessary, that I should endeavour to get rid, *in limine*, of this reproachful and disparaging cry, which, however it may apply to common cases, cannot attach, in my humble apprehension, to the regulated monopoly of the East India Company. This will lead to the consideration, on which I shall but slightly touch, of the History of the Company’s Trade.

Taking it for granted that you are informed, as matters of notoriety and history, of the circumstances of



the rise and progress of the British Commercial Inter-course with the East, I shall treat very generally of facts, though I may indulge rather more particularly in apparent inferences from them.

2<sup>d</sup> It would seem sufficient to assert, that for nearly two centuries, a state of commerce has been maintained between this country and India, more or less in degree, according to the varying conditions of mercantile adventure from the genius of distinct intermediate æras. The commerce with that distant clime, from its first commencement through all its gradations, has required, from its very nature, a larger capital, than individuals could be expected to furnish, for advancing its requisite ends. At the earliest date, so long ago as the reign of Edward the 6th, we have to notice the association of noblemen, merchants, and manufacturers, for prosecuting a trade with India, through the medium of a joint-stock company: And this it may be said, with a temporary deviation in the time of the protectorate, which was soon abandoned, has been considered as the only safe way in which such a commerce is manageable. The large vessels, suitable to the voyage, the outfit and incidental expenses, the value of the cargo, the great intervenient distance between the two countries, the consequent long duration of the different stages of the adventure, the numerous means, domestic as well as foreign, absolutely necessary for conducting it, proved, from the beginning, the impracticability of carrying on the trade on the single capital of individuals.

It was also felt, in the very infancy of the intercourse, from rival nations, (the Portuguese and the Dutch) being already embarked in the same speculation,

and from their having obtained a local establishment, that it would be necessary, in order to keep up a commercial connection with the then newly-discovered world, free from interruption, to establish certain mercantile depôts, and factories, on the coasts of the Indian Seas. These were requisite, as well for the primary purpose of refreshment to our ships, as for giving security and permanency to our commerce, by expediting, through the mediate agency of persons on the spot, the disposal of the outward cargo, and the provision of the homeward returns.

Little time elapsed, from the first settlement of this nature, before it was discovered that further means were essential, in fortifications on shore, and armed vessels afloat, to protect the opening trade, from the selfish arts and practices, and, in many instances, the open and daring attacks of foreign, contending adventurers. It will be unnecessary to recapitulate the various impediments, arising naturally out of the undertaking itself, or opposed by adverse interests, disturbing and hazarding its success, that baffled the early efforts of the first Indian enterprises. The detail would only present a disgusting account of piratical and murderous events, that shock and shame humanity, and could scarcely have been tolerated by any civilized country, if they had not happened at such a distance, as to defeat any immediate controul, and if they had not been of such atrociousness, as to be difficult even of belief. It will be enough to remark, that the necessity of such defensive establishments called for an increased capital, and led, as a matter of course, to larger mercantile associations. The nation was not prepared, either from its little regard to commercial pur-

suits, the advantages of which were not sufficiently understood, or from its naval power, such as it was at this interval, to put forth its arm to protect the growing trade. The discovery of this new source of commercial riches, the prosecution and the defence of it, in all its parts, was, for these reasons, abandoned by the state to the enterprise of associated individuals. At their own cost, their own hazard, and for their own benefit mainly, but relatively for the public good, it was permitted to them, with broader or more confined principles, correspondent with the temper of the times, to institute foreign factories, and to defend them by military out-works.

Local establishments necessarily involved the new settlers, through a community of interests, in the concerns of the neighbouring nations, and more especially of that from which they were allowed a permissive right of habitation; and this communion, operating with other natural causes, had a tendency to engage them in mutual defensive obligations, and subsequently in offensive league, with the surrounding states. These, with other concurring circumstances, connecting themselves with similar establishments, founded by the adventurers of other nations, and the consequences they superinduced, led, in process of time, to institutions of a more warlike and determined character, which changed the pure principle of the original design, and converted it, from a mere commercial speculation, into a political scheme, partaking more of a national character, than of a mercantile transaction; This second and mixed state of Indian commerce required a still further increase of pecuniary resources, fitted to the complex exigencies of the new situation, not only demanding a more extended

capital to supply them, but new concessions on the part of the Government, and renunciations on the part of the Public, to induce reasonable men to proceed on so vast, so fluctuating, and so perilous a plan.

Successive Charters are granted by successive Kings, stamping the persons engaged in this commerce with a perpetual corporate capacity; bestowing on them an exclusive privilege of local trade; arming them with a power to acquire and possess foreign dominions; to erect forts; to raise armies; to make peace and war, so that it affected not Christian Princes; with all the common and distinguishing incidents of sovereignty. These encouragements, that mark the second æra of the Company's history, were given by degrees, within the inclusive reigns of Queen Elizabeth and William the Third, and induced the East India Company to erect factories at almost every convenient place of trade, washed by the Indian seas. The different monarchs recognised in the Charters, from time to time granted by them, the principle of a joint-stock and exclusive trade, as adapted to a commercial intercourse with so distant and so peculiar a country.

The slight change introduced in the reigns of James and Charles, though affecting the original and previously established Company, did not vary materially the principle just asserted; Indian commerce being still treated as an exclusive commerce, from which the nation at large was shut out—although certain favourites were let into the enjoyment of it, by the grace of the respective Sovereigns. The only direct aberration from the principle of exclusion, as before remarked, took place in the time of Cromwell, and a

free trade was, in consequence, indulged and pursued; but this failing in its intended objects and operation, and being found to be practically inconvenient and unwise, was soon after relinquished, when things were restored to their original state; and the Protector, though a favourer of innovation, became, on conviction, the follower and imitator of the policy of his predecessors in power, by granting an exclusive Charter, with extensive and liberal endowments.

All the Princes, within the period in reference, treated the East India Company with especial favour—stimulated them to exertions in the prosecution of their foreign objects—and one of them affected to treat them as sovereigns having a distinct rule, independent of the parent state; refusing to take any cognizance of their acts, or to redress alleged injuries to foreign courts, arising out of them; referring the foreign states to seek their remedy at the immediate hands of the Company.\* In addition to this extraordinary mark of royal courtesy and delicacy, the East India Company received a more solid instance of attention from Charles the

\* There is an eminent instance of this, at a much later period, which occurred in settling the preliminaries of the Treaty of Paris—and which is noticed by Mr. Macpherson, in his valuable History of European Commerce with India, page 192. To the French Minister's requisition for the restoration of certain territories, taken from the French by the East India Company, the British Minister is stated to have made the following explicit declaration and reply:—

“Respecting those territorial acquisitions the English East India Company have made in Asia, every dispute relative thereto must be settled by that Company, the Crown of England having no right to interfere in what is allowed to be the legal and exclusive property of a Body Corporate belonging to the English nation.”

Second, in the cession and alienation to them, in perpetuity, as absolute lords and proprietors, of the valuable Island of Bombay; a practical comment on the capacity of the Company to enjoy foreign territory, according to the principle of their Charter, by the cession of local sovereigns. This recognition it may be well to keep in mind throughout the observations that I have subsequently to offer.

I have forbore to notice the various and fluctuating fortune, which attended these different stages of the Indian trade—the changes of capital required in the prosecution of it—the occasional interruption it experienced from foreign states, that only served to invigorate its course, and the opposition it intermediately encountered from the British public, which somewhat impeded its march, but finally rendered it more firm and steady. Foreign rivalry, through the powerful medium of joint and consolidated companies, demonstrated the necessity of an organised and embodied resistance—and this, in the progress of things, became so clear and obvious to the meanest judgment, as to countervail the pretences set up, at different intervals, by interested individuals, for altering the course and conduct of the enterprise, by throwing it open to the nation at large.

It has been my endeavour to trace generally the principle and process of Indian commerce, to the period at which it is now arrived, without troubling you with more historical circumstances than are strictly requisite to elucidate my statements, and to sustain the inferences drawn from them. I have not, therefore, delayed you by accounts of the particular profit and loss of the Company at certain periods of their adventure—nor of the

direct and indirect benefit accruing to the nation at large, from the manner in which it was conducted. What I have hitherto had in view, is, to demonstrate, that commerce with India, from the beginning, could not be carried on and maintained, from the inherent nature of it, as well as from the relative state of things, at the time at which it was first attempted, by any other medium than of an exclusive Company: that it was of necessity a monopoly: that any other course of trade, which depended on single efforts and individual caprice, which might be assumed and laid down at pleasure, was not calculated to the object: that at the very outset—it required strong and concentrated means to force the introduction of it:—that it needed a methodised and increasing support in its progress, which neither individual exertions, nor resources, nor humours, were capable of administering:—that these could only be supplied, constantly kept up, and systematically directed, by a large and wealthy association, acting by their Directors, under their joint consent, and not on the particular policy and interests of separate private persons, which, drawing distinct ways, would have induced endless distraction, instead of one great and uniform end: that a variety of statesmen had recognised, from time to time, the principle of exclusive trade, as applicable to our intercourse with India, and as indispensable to the management of it:—that successive Kings, acting on their counsel, had favoured the principle recommended; and in furtherance of the policy which it dictates, had condescended, even to delegate their principal prerogatives, and suffered them, without jealousy, to be exercised (a strange and novel experiment) by a subject-body: that such prerogatives were at all times

considered necessary to be communicated for the successful issue of the adventure, and, demanding an entirety in the use, could not have been placed in the hands of separate parties, however respectable they might have been, without producing as changeable a rule, as there were persons to exercise it: that there was no reason to repent of the principle at first laid down, for the government of the Indian Trade—nor was there any deviation from it, except in a particular instance, and for a short space, and in an innovating age: and such temporary and occasional departure, so far from lessening the authority of the principle acted on, confirmed, by its miserable success, or, rather, by its utter failure, the superiority, if not the sole fitness, of the policy, originally adopted, to the administration of our affairs with the East.

The first trade to India was carried on, as it has been shewn, by the means of a monopoly; depending on the will and authority of the crown. Neither the country, nor the crown itself, except perhaps in private presents and gratuities, and those of no great amount, derived any pecuniary compensation, within the periods described, for the *abandonment*, if the expression be warrantable, of our Indian Commerce to an exclusive company. There was nothing in point of fact to abandon. The foundation of trade was to be laid; to be built upon as opportunities offered; and to be finally established by resources and exertions, that could only be afforded by an extensive body of men. The nation at large could not expect to find more advantage from this, than any other species of commerce, prosecuted from its shores, and it did not certainly derive less. Even in the earliest



days the Indian Trade was made subservient to the general interests of the country, by affording a vent for several exportable staple articles,\* and an opportunity for the importation of others of the most vital political importance.†

In proportion as the trade opened itself, it, in the same degree, demanded fresh energies and increasing capital; not productive, in the usual routine of commerce, but to be laid out, to a large amount, in dead, or slowly-yielding stock—in purchasing and providing the facilities, nay even the indispensable necessities, the instruments, the very implements, as it were, in factories and forts, for sustaining its first footing and gradual progress. This capital was eagerly furnished, and in a way most advantageous to the country. It was not taken from one branch of commerce to be diverted to another—by the successful use of which little could possibly be added to the stock of the whole; but it was more than half subscribed by persons, who, from station, profession, and sex, could not personally engage in trade; and, strange as it appears, by the subjects of other powers; all and every one of these, however foreign their habits and their relations, were made to assist in the success of an enterprize, purely national, and exclusively British. At the present hour, the funds, on which this trade is carried on, bear this originally distinctive feature.

The successful application of these funds, to the nurture of our Indian Trade, had advanced and matured it, at the instant contemplated; so that it had gained an introduction every where, where it might be thought de-

\* Woollens and Metals. † Saltpetre, &c.

sirable to introduce it—so wide and expanded an establishment, with so multifarious and so large an expenditure attached to it—that it became an imperious matter of prudence, with those embarked in the adventure, whether it should be pursued, to its possible extent on the precarious tenure by which it was then held. The magnitude of the capital employed, with well-grounded doubts of the efficacy of the Royal Charter, for securing and continuing the future advantages of exclusive trade, which began now to be generally expressed, made the East India Company desirous of obtaining the consent of Parliament, in confirmation of their preexisting charter; which promised, when obtained, to put their possession on a more safe and lasting foundation, and to create a third grand and coveted æra in their constitution:

The first Parliamentary sanction of the Company's privileges occurred shortly after the Revolution; and whatever stability or other advantages it might be supposed to realise to the Company, it had undoubtedly the effect, from that time to the present, of keeping it under constant parliamentary controul, and under perpetual contribution.

I shall pass over the short history of the new and rival Company, created by the 9th and 10th of William the III<sup>d</sup>, on the consideration of a public loan of two millions of money—the failure of its objects—and the great national, as well as private mischief\* produced by it; which

\* This was occasioned by excessive exportations of Bullion and Merchandize; the latter of which, owing to the glut of the Market, could not find purchasers abroad—and by equally extravagant importations of Indian Manufactures—to the ruin of our own Artizans and Manufacturers.—The act constituting the new Company, passed towards the

the Legislature, that had occasioned it, was almost, on the instant, supplicated to remedy, and which ended in bringing back the commerce into its first and simple channel, by leading, in a sense of mutual advantage, to the incorporation of the old and new Company, at the beginning of the reign of Queen Anne; which Company, so united, has continued ever since, by virtue of repeated Charters, and various Acts of Parliament, to carry on the exclusive Commerce to the eastward of the Cape of Good Hope.

It would be beyond the present purpose to go into an enumeration of the particular times, at which the exclusive privileges of the United Company have been confirmed, by Charter and Acts of Parliament, from the time of Queen Anne to the present reign; or the sums of money that have been absolutely given, or temporarily lent to the country at a small rate of interest, or without interest at all, in consideration of the renewal of them; or to trace, with any minute care, the relinquishment, on the part of the Company, of direct claims on the country, or the advantages rendered by it, by the sacrifice of the Company's interests, under parliamentary stipulations, to the paramount interests of the State. It would seem sufficient to shew, that within the present reign only, the Company has contributed to the exigencies of the State, either in cash payments, or contributions scarcely less direct, the large aggregate amount of 5,135,319.\*

end of the Session 1698—and was repealed in the spring of 1700, by the 11th and 12th of William the Third.

\*See the printed paper (No. 17) submitted by the Court of Directors to the President of the Board of Control. Appendix D. Page 37, of the papers respecting the negotiation, &c. Black and Parry.

Within the interval; immediately noticed, the Charter was confirmed by express Act of Parliament, not less than three times ; and on every occasion of renewal, the privileges of the Company have undergone an exact and severe investigation. It were impossible that any more close scrutiny could be had into the merits of any system, both in regard to principle, operation, and effects, than was instituted in the years 1783-4, and afterwards in the year 1793, with respect to the Indian system, as then in application to the administration of our eastern affairs.

The Indian Bills of Mr. Fox and Mr. Pitt are fresh in recollection, and tend, in their memorable result, to prove, that however the two great authors of them might differ on other points, they entertained one and the same opinion, as evidenced by their respective bills, that a regulated monopoly, as established through the instrumentality of the East India Company, is alone suited to our Eastern Commerce. These enlightened and rival statesmen had not to form a judgment on hasty or visionary data, but on experimental grounds, from the view of a large and discovered principle, in its broad and direct use, for a long series of years. However distinct and wide from each other, the notions of these eminent politicians might be, on the capacity of the Executive Body of the East India Company, for the discharge of the delegated functions of sovereignty, with due effect to the subjects placed under its guardianship and government, they neither of them doubted its competency for maintaining the Commercial relations created by Charter, and confirmatory acts of the legislature ; much less doubted they the wisdom, policy, or justice, on which the exclusive privileges, favoured by the crown

and the legislature, were at first conferred, and ultimately secured. They perceived, as every discerning eye must see, the necessity, in the first stage of the British Indian intercourse, for united capital and united efforts, to fight and combat against the intrigue and force of commercial adversaries in the territory, the seat of the intended enterprise : nor could they fail to observe, what more extended and more conjoint aids would be required, in a further advanced stage, for securing the footing which should be adversely won from the opponents of the adventure. Every Parliamentary provision, made in the progressive advance of the trade, during the third æra, the Company and the Public could not but contemplate as an approbation, on mature reflection and experience, of the principle on which the trade was conducted, and of its adequacy to its end.

The virtue of the Parliamentary sanction was seen in its immediate effects, now observable to all. It had given the authority of the state to the grant of the Crown—it had bestowed a seeming permanency on the grant, by the frequent renewal of it, and had sanctioned the exercise of the rights which it conveyed by numberless formal recognitions. Under the faith and encouragement of these acts the Company enlarged their views ; they contented not themselves with a mere biding place, but surrounded it with a circumjacent domain ; purchased or ceded out of grace by the local proprietors. A fixed interest in the soil entailed on the Company, not only the defence of their own territorial possessions, but called on them to contribute to the aid of the Princes, from whom they derived their lands. The latter service obtained new cessions : these increasing in value and con-

sequence, began to demand protection, and hence followed the erection of fortresses, and the constitution of regular troops. The growing importance of the Company's territorial establishments inflamed the enmity of foreign colonists and settlers, and more especially of the French. As the latter could not make, from national considerations, direct and open war upon the English, in these their foreign possessions, they contrived, by busy intrigue, to stir up animosities, or excite pretensions in the neighbouring Potentates, that could not fail to engage the rival European Adventurers on distinct sides of the controversy to which they were calculated to lead. The fruit or effect of this policy disappointed the views of those who conceived it. Though it served to plunge the Company in unbounded temporary expense, and diverted their capital from the purposes of trade, it tended to increase their influence, by direct territorial acquisitions, and to raise their credit by an impression, which it afforded an opportunity of making, of their constancy and courage. Local strife and warfare induced local alliances — and their natural consequences were a partition of spoil and of conquest. These called forth, in time, constant military establishments and large standing armies; partaking, as circumstances demanded, of a mixed nature and form, Asiatic, as well as European; the former, from the numbers nearer hand, being, at all times, the main ingredient of which the armies were composed. The military ardour and spirit of the British soldiery communicated a part of its character to the native troops embodied with them in the same ranks; and, by their joint and well-directed force, the Company succeeded in a variety of struggles, which it is not necessary to specify, against foreign Europeans

powers, in conjunction with native states, both in indirect hostility, and in open and legitimate contest, distinguished by all the features of public and national warfare. In none of these conflicts, numerous as they were, had the Company recourse to the parent state, either for pecuniary resources, or for military succour, save in the form of a stipendiary or subsidised assistance, and *that*, considering the scope of their own military establishments, to a comparatively small extent. In some late instances, at the meridian of the Company's power, they have themselves returned the partial boon which they had received, not only with interest, but with generosity unparalleled and unrequited,\* in contributing with their proper and peculiar force, to the pure enterprises of the state, in defeating the ambitious purposes of the national enemy, and reducing or destroying his possessions.

Passing lightly over the annals of the East India Company, from the date of the Parliamentary confirmation of its privileges, as well as the acts that have rendered them distinguished, I would direct your consideration to the effects alone, to which it led.

It had the immediate tendency of encouraging the East India Company, under the prospect of a more regular and continued possession, to step beyond the boundaries, ascribed to their factories, and, in a favourable turn of circumstances, to exceed the narrow confines

\* The expedition to Egypt is in proof of this, as is also the reduction of the French, and Dutch, and Danish settlements on the Peninsula: the capture of Ceylon, and the Dutch settlements, particularly Java and its dependencies, to the eastward, and *Mauritius* and Bourbon, the last possessions of France and her allies to the east of the Cape. The expenses of the captures are not yet fully paid to the Company; and some of them, with shame <sup>be</sup> it mentioned, are unhandsoinely and ungenerously disputed.

of trade, to found an empire of its own ; containing within it not only the first and necessary means, but presenting the very field and source of commerce itself. It had changed a mere casual domicile, into a fixed and established dominion : it had converted a permissive trade into an absolute independent commerce. By making it an end, instead of a mean, it had reduced commerce, which was a principal, into the quality of an accessory, or subordinate incident or consequence. In the course of this remarkable and unavoidable revolution, the agents or instruments were raised, as well as the ends themselves. Instead of private, undistinguished adventurers, prosecuting their simple, mercantile speculation, within a circumscribed limit ; with a few straggling ships afloat ; with a handful of civil servants on shore ; and with a restricted purse ; we have to witness the elevation of the East India Company to the proud rank of sovereigns ; the conversion of their scanty shipping, into a powerful fleet, giving direct employment to 8000 seamen, and about 1400 Commanders and Officers ; the constitution of a mere counting-house appendage into three extensive establishments of enlightened civil servants ; a military force, locally created, vying almost in strength and numbers with our national armies ;\* a Territory, reduced into quiet and peaceable possession, more than co-extensive with the Mother Country, with a population, quadruple in number to the subjects of the parent state ; with a Revenue of fifteen millions annually ; with a capital, or credit, actually avail-

\* The Company's armies at the three principal presidencies constitute a body of 140,000 men, commanded by upwards of 3000 European officers.



able, and employed on these grand and commanding objects, exceeding fifty-one millions sterling.\*

These are the plain, direct, and discernible results to the East India Company itself, from the exercise of the exclusive privileges permitted to it ; nor is the beneficial effort to the state less essential, though, probably, not so striking or apparent.

The state has had the good fortune to reap, almost in direct contribution, during the existing reign only, above five millions of money.† It has a security for participating, according to legislative provision, after the Indian territorial, and other authorised debts are discharged, and the moderate legal interest on the Company's capital defrayed, more largely even than the Company itself, in the surplus revenue of its territories. So that, if in future times, more income shall be collected than is sufficient for the exigencies explained, it will go not into the coffers of the Company, but into the public treasury. In the mean time, it has substantially and solidly profited, in the export of the staple articles and the manufactures of the country, to the amount of more than one million per annum ;‡ and in

\* How this capital is employed, and of what it consists, is distinctly stated in the Papers printed for the information of the proprietors of East India stock. Vide, *Papers Respecting the Negotiation, &c.* pages 55, 56. The amount specifically devoted to the Indian and China trade, is not less than 21,000,000*l.* See Page 144 of the same Papers.

† The actual amount of contributions from the East India Company to Government, between the years 1768 to 1811, was 5,155,319*l.* Vide, *Papers respecting the Negotiation*, page 57.

‡ The average export of woollens, (always a losing trade) is 1,129,942*l.* All other export articles together, do not exceed the annual average value of 865,258*l.* See Page 126 of the Supplement to the 4th Report of the Select Committee of the House of Commons,

the imports of foreign produce, in customs and excise, omitting smaller considerations, it has received from the Company's hands more than four millions sterling annually.\* The country at this moment possesses three regiments of well disciplined troops, maintained entirely at the expense of the Company, for its internal defence ; and several thousands† of the British population, more easily conjectured than to be computed, are constantly kept and employed in the domestic establishments of the Company, or from the influence and demands of its trade, not only from being burthensome to the state, but are rendered instrumental to its good.

If such the origin and effects of the exclusive privileges of the East India Company, it is not to be wondered that statesmen, like Mr. Fox or Mr. Pitt, though bold enough in their political conceptions, should not venture to trench upon them, so as to affect the one or the other materially. It is left for other times to demand another policy ; and for other statesmen to meditate a change in our established Indian relations.

With what justice the popular outcry is raised against the East India Company's monopoly, as it is called, and with what reason it is seemingly regarded by the present race of statesmen, may be learnt from the brief preceding account of the history of the affairs of the East India Company. What is there, it may be asked, in the Company's exclusive privileges, as explained, that should subject them to the same common odium, in which common monopolies are wont to be holden ?

\* The duties in customs and excise amounted in the year, ending in January 1811, to 4,213,425*l*. See Page 57 of the Papers respecting the Negotiation, &c. &c.

† These are stated, in a moderate estimate, at 30,000 persons.

Were the Company's privileges, in their foundation, or present expanse, granted as a boon from the crown, at the expense of the nation at large? This I take to be the leading circumstance, exciting hatred against monopolies in general. Is this feature to be found in the exclusive privileges of the Company? Did the crown take any thing valuable from the common possession, to throw it with a lavish bounty into the lap of the East India Company? This has never even been asserted. What, in point of fact, had the crown to give? A naked right to trade with a scarcely discovered world---a bare permission to seek a commercial footing, by its own device, in a strange land. If the mercantile body of the community be restrained from competition in the new adventure, and has ever since been restrained, it is out of the ordinary care of the state towards its common members, in exercising a discretion belonging to it, in controlling all public acts, which may interfere with the public interests. The trade of the state, as all other its concerns, is alike submitted to the government of the state. It must be regarded, not as it may simply affect the commercial part of the community, but as it may touch the great body of the nation. If the latter interest require that the trade be conducted by a part of the mercantile body, instead of the whole, the less must be given up to the greater interest, the society of merchants, to the society at large. But what is fit at one season, in consultation of the general good, may, under other circumstances and times, be directly opposite. It might be right, at first, to conduct the Indian trade upon an exclusive principle, but after it had obtained a certain stability and maturity, it might be thought wise to alter the course and manner of it. This,

however, would be the care of succeeding governments, at times or circumstances should appear to be ripe for the alteration: and if no change has been introduced, the necessity of it, it may be supposed, has not hitherto been apparent. But as it was the duty of preceding periods to take care for themselves, so it may be deemed to be the duty of the present day, to guard its own peculiar interests; and in the exercise of this office, it is the fashion of the passing hour to condemn, not only the universal principle of monopoly, as applicable to general trade, but the modified and regulated application of the principle to the exclusive and long approved Commerce of the East India Company.

I have already shewn, that the strong feature which pervades monopolies generally, disfiguring and rendering them repulsive, is not to be found on the face of the Company's qualified monopoly. It will be my endeavour to shew, in a few words, that it differs as much in its ordinary, as it does in its primary and distinguishing feature.

It is the property of monopoly to act on a pure selfish principle—to acquire for itself—keep all things to itself—to suffer no participation. Now, from the first to the last, in every intermediate stage, the public has been constituted, if not a nominal, a real and substantial partner, not in the losses indeed, but in all the benefits, be they what they might, of the Company's commercial proceedings. Not a ship has traversed the Indian seas, at any period of the adventure, but some price has been paid by the Company, either in the shape of compulsory exports, or stipulated returns, or in hard gold, for the license or privilege of sailing. The full gain of any adventure has not been permitted to flow in a natural

direction, into the pockets of the East India Company, but has been impounded, as it were, beyond a limited amount, in the hands of the Company's executive, and subjected to the controul and will of the state. The Company, from the very outfit of its trade, has not been permitted to draw to the extent of the present and immediate profits deducible from it, but has been obliged to apply the mesne produce to increase the capital of trade, or to enlarge or fortify the sphere of it. All its extra accumulations in commerce have in this way been exhausted and applied, in the purchase, improvement, and defence of its territorial possessions, to many times the amount of the productive commercial capital. Even large sums, equal to a national revenue, have been borrowed and added to such gains, to eke out what was wanting to complete this *necessary* work ;\* which was to rescue our Eastern commerce from a state of uncertain dependence on foreign powers, and place it on the sure basis of independent absolute tenure ; to change an unreduced right, held in common with every people on the face of the universe, into an unqualified and private possession. In the annexation, even of the extensive territorial possessions, which are now added to, and indeed form the very foundation on which our Eastern commerce is erected, the state has contrived to render them as well as the commerce itself, contributable beyond a certain bound to the services of the community. The Company, instead of pursuing a monopoly, then, as it is

\* It must not be presumed from this expression, that the Company always considered the extension of territory as necessary, or desirable ; for they have often, formally and sincerely protested against it, in opposition to the policy and acts of their local Governments. It is not requisite to enquire whether the Company or the Governments were right in all, or any particular instance.

improperly termed, has been following a joint adventure, in which the nation has at all times shared the benefit, without being at any time liable to loss: or, rather, the Company has been the instrument or agent for carrying on a lucrative commerce for the public, without any capital of the public at risk, and without any trouble of management. Where then is the sense and signification in the cry of monopoly, as respects the East India Company? If there be any establishment more strictly free from the demerits of a common monopoly, it is the very establishment under contemplation. In any view, the most unfavourable for the Company, in which it can be taken, it is a purchased privilege at a given price, fixed by the legislature. The Company has not been indulged with any gratuity whatever, at the expense of the public. The latter, surely, cannot let out the soil for hire, and set up a pretence to cultivate it on its own account.

But it may be said, that the country has not made a conveyance of the Indian trade to the Company, in perpetuity, but solely for a term of years: that such term is now on the eve of expiration, when the leased rights will revert to the public, to be again let out or holden, at the public discretion, in its own hands.

There can be no doubt, it is presumed, of the authority of the state to resume its own grant; though abundant doubts may be rationally entertained of the prudence, under existing circumstances, of such a resumption. It will not be forgotten, in considering the propriety of renewing or resuming the grant, what has been collaterally and lawfully acquired by the Company in the interim, independent of the mere exclusive right of

trade. In pursuing the latter, the Company has availed itself of a distinct capacity, not only co-extensive with the term of the grant of the exclusive privilege of trade, but a perpetual capacity, unlimited in extent, and unfettered in the enjoyment, of purchasing and acquiring lands. In the lawful exercise of this capacity, it has actually possessed itself of vast and valuable provinces and principalities, in which the most desirable branches of the Indian trade are cultivated, and are capable almost exclusively of cultivation : these stretch along the whole range of the sea-coast, from the Ganges, through all the intermediate territory, with one solitary exception, to the Persian Gulph, running in a transverse direction many hundred miles into the interior of the Indian Peninsula.

Besides the capacity to take and enjoy lands, the Company has a further privilege, equally as large and unbounded, of a corporate character, also, to prosecute its commercial speculations on a joint stock capital and in an aggregate body. The actual possession of these rights, of an indissoluble nature, separable and divisible from the right of the mere exclusive privilege of trade, which is temporary only ; which may be exercised by the Company, whether the latter privilege be continued or withheld, and which, if exercised, must make an open trade of less relative value ; is a circumstance that must force itself on the notice of the legislature, if it have not a direct influence on its deliberation, when it comes to the consideration of the policy of annulling, or extending the Company's Charter.

It will not be, as at first, a question, whether the instrumentality of a regulated Company, or an open

competition, be best adapted to the maintenance of a commercial intercourse with India. Things have undergone an entire and radical change since that question arose. There is not now, as then, a new commerce to establish. The trade is in a mature state, and incapable, in the most sanguine minds, of much, if any addition. It is in the possession, principally, in the *proprietary* possession of persons, not to be thence wrested, unless by a species of violence, who first prosecuted and have invariably cultivated it; whose efforts have created, and made it what it is.

The Indian trade, then, cannot be resigned, it may be said, into the hands of the public, as it was originally leased out. It was delivered as a whole, but with a privilege to the Company, confirmed from time to time, to appropriate *that*, which must necessarily tend in its consequences, to the appropriation of more or less, as it might be found convenient, of the commerce; i. e. the thing granted, inasmuch as it should depend, as undoubtedly it does, on local or territorial sovereignty. Not only the privilege itself, but all the instruments and facilities to the enjoyment of it were granted, to push the privilege to its greatest possible extent. Territories, new sources of revenue and of trade, have in consequence been conquered and appropriated, under the eye and approbation of the governing power of the state, and with the means, standing armies and sovereign authority, placed, wisely or otherwise need not now be examined, but actually placed in the hands of the Company. These territorial acquisitions, as it has been before observed, have exhausted, either directly, or in their consequence, the greater part of the commercial profits of the East India,



Company, and have engaged their credit to an almost incredible amount, in the hope of rendering them, in the probable and natural event of things; so many certain, if not new provinces of commerce, to be an ultimate reward to their exertions, in any adverse conclusion being put to their exclusive trade. In any other consideration, than that these were an absolute untangible property, in any and all events, it would be impossible to account for, or justify the proceedings of the Company, on the ground of prudence or common sense.

In the letter and spirit of the Company's Charters, and the statutes affording them their sanction, the right of acquiring and possessing territory, and of holding it in perpetual enjoyment, is written in too clear a character to be susceptible of misconception. If they were not intelligible in themselves, the conduct and acts of all parties concerned, are decisively in favour of the construction immediately stated. The Company in every territorial acquisition, whether obtained by conquest or cession, from any of the Asiatic unchristian princes, against and with whom the unlimited power of making war and peace is delegated by the crown to the Company, has invariably assumed to itself the conquered or ceded countries, without any qualification whatever; whether acquired by the sole instrumentality of its own armies, or in union or conjunction with the King's forces. No participation has been claimed at any time, either on behalf of the crown or the people, in a single appropriation of this nature. The crown has not reserved to itself even a right of interference, in no other case abandoned, in the distribution of transitory property, in spoil or capture from the enemy, to the reward of its

own military retainers : nor has it laid claim to one sign of superiority, however small, over the native people, that have passed, with the territory, under the government of the East India Company. Over these, as over the territory itself, the Company have been left in the entire and unqualified sovereignty, and have exercised it without question or interruption, and have in consequence involved itself in all the wide and multiplied expenditure, attendant on the military and civil establishments, adapted to the sovereignty over a great people. It would seem impossible to disconnect the idea of permanency from rights, and the undisputed and undisturbed exercise of them, such as those I have just described ; for it would be necessary only to advert to the effects that must spring from an opposite consideration of them, in the changes and accidents to which they would perpetually give rise, to discountenance a supposition that they could ever have been intended for a transient or temporary use.

There are those who might contend, in contemplating the privileges granted by the crown, and sanctioned by legislative enactments ; the unrestrained use and enjoyment of them ; the events to which they have led ; the important consequences which they have induced ; the faith that they have inspired in the Company ; the resulting responsibilities they have involved ; the great relative and reciprocal obligations and duties they have raised, both as regards the Company, and unnumbered millions of native subjects : there are those, I repeat, who might argue for the indefeasibility of rights, which, if dissolved, or dissoluble, might throw so many, so important, and such conflicting interests into uncertainty

and confusion. I have not been led, however, into the general observations just offered, to lay the foundation for an argument of this extent. I do not mean to question here, or any where, the omnipotence of Parliament to annul those powers, which it has itself served in some sort to create, or to deny or withhold the means by which alone they can be hereafter retained. I know too well how much the interests of the Company, and the general interests of the state are intermixed and depend upon one another, to contemplate any separation but on a good understanding, if not in mutual consent. But I have dwelt more on this particular subject, than I might otherwise have been disposed to do, from the undisguised pretensions of the public, every where avowed, under the ill-directed notions of the day, to leap at once into the inmost recesses of the Company's possessions, and into a common and uncereimonious participation of those advantages, which have been produced and maintained by its private exertions, and its proper means. As if at the termination of the Company's Charter (could a notion so wild and extravagant enter into the head of any sober or reflecting being?) the whole community, the sum and total of the English population, the rabble many, and the refined few, for all or none succeed to the contemplated vacant possession, should be indiscriminately let loose, without any preliminary provision, or precautionary measure, on the wide regions of Asia; to affright the natives in their homes; to beard the Company in their dominion; to disturb them in their possessions; to elbow them in their pursuits; and to dispute and contend with them for the ground on which they stand. There is no politician, however wild his

scheme of Indian policy, however jealous of the Company's privileges, and of the rights reverting to the public on the expiration of the charter, that can entertain a serious thought of turning adrift on the plains of India, so many of the British population as shall chuse to go thither ; or can have any other than one opinion of so monstrous a proposition. Yet the advocates for a free trade insist on the proposal in its most comprehensive compass.

But, though I do not contend, for it is not necessary to contend, for the absolute right of the Company in their territorial possessions, I yet consider that they have acquired such a clear and equitable interest in them, by permissive appropriation, long tenure, maintenance and preservation, as to bar the entrance of the public, under any pretence which the ordinary rule of justice, or the dictate of legitimate policy, can tend to favour. It would be much easier, I should conceive, to maintain the highest possible sense of property in such possessions, as the most strenuous advocates of the Company's rights seem to entertain, than to argue in support of so outrageous a supposition, that the British populace, as of mere right, without any preliminary consent, or compromise, may force themselves, on the determination of the charter, into the Company's Indian possessions ; converting, with the trade itself, the local seat of it to their own use. There are visionaries, I am aware, in policy, as well as commerce, who make common league and war, under their respective excitements, against the unfortunate East India Company ; producing a sort of compound hostility, that savours more of the rancorous quality of a private feud, than of public and generous

warfare ; but, to whatever degree of hostility the personal feelings and resentments of individuals may have carried them, I have never heard that they have so far misled them, as to make them wholly blind to the claims of the Company on the public consideration; although the nature and extent of those claims may be variously estimated.

Much of the odium directed against the East India Company originates in a misconceived notion of their character, as supposed monopolists, in the vulgar acceptation of the term. This presumes, that they have taken and retained to themselves, under an undue preference, what of right belongs to the general stock ; and this circumstance has had the natural effect, during the operation of the delusion, of arming all persons against the Company, who shall imagine themselves injured by the supposed usurpation of their rights. No common pains have been taken to spread the impression, and stir the jealousy of the public mind. But the latter must cease, as the true situation of the East India Company shall become known.

I have shewn, and I hope satisfactorily, that the charge of monopoly, in the common sense and understanding of the word, is not imputable to the East India Company ; that, although the privilege of exclusive trade has been granted to them, it has not been awarded on any principle of favouritism, but out of a particular policy, which has been supposed by the constituted authorities, and the representatives of the people, to be alone applicable to our Eastern Commerce : that such policy has not been acted on, without respect to the public interests ; that these have been attended to in as direct a manner, as was

consistent with the views of such policy ; that in practice or effect, the policy has been productive of the benefits generally expected of it, though it may have disappointed and defeated the views of a certain class of subjects, who, looking only to their own interest, contradistinguished from the Company's, may have lost sight of the larger object, the public weal, which stands on a principle distinct from either, though reconcilable, in fact, with the good of both. Whatever the differences of the opposed parties may be, whatever remedies they are capable of, and whatever consequences they may induce, it will not be forgotten in the Parliamentary discussion, now fast approaching, in considering the merits of each, that there is a third party to be regarded, more interesting than the other two. Much is to be reconciled between the great body of the Merchants and Manufacturers of the United Kingdom and the East India Company, but more between these two warring and conflicting interests, and the country at large.

It will be for Parliament in its general wisdom, and general controul, to interpose in, and moderate these adverse pretensions. It is already called upon by the East India Company, to determine its future functions and the character it shall bear in the administration of our Eastern Affairs. It will be for Parliament to decide, whether the whole system of our Indian Government shall be recast, for the sake of favouring a speculative policy, or whether it shall be retained in its primitive shape and spirit, with such easy, practical alterations as may be found necessary, from the change of times and circumstances.

The Company have at least a title of long undisturbed possession, and of repeated recognition ; a ground, tenable

against all claimants, who cannot discover a better title. Before it can be dispossessed of what it holds, it will be incumbent on those, who wish to oust the Company from its possessory rights, to shew a preferable title. They must succeed, too, if they ever do succeed, by the strength of their own claims, not by the slander of the Company's pretensions. It will be in vain for them to aim at the delusion of the House of Commons, by exhausting all the arguments, that speculative minds have raised against monopolies, their unfavourable bearing on public improvements, and their unfitness, compared with individual exertions, to the due extension of commerce. The answers to these objections may be found, not only in the peculiarity of the Company's monopoly, the particular nature of its objects, and the limited extent of it, but in the sanction it has received from the approbation of so many authorities, and from the test of long experiment.

If, however, the arguments against the Company's exclusive trade presented themselves for the first time, they are not so authoritative as to repel all question. It may be true, that the country would derive greater benefit from the pursuit of an open, ordinary commerce, by the exertion of the whole community, in separate and individual enterprise, than by the industry of any given number of persons in a joint capacity. It may be true, that the very nature of joint trade excludes the idea of that thrift and œconomy, which is practised by single adventurers; and that it holds not out that constant stimulus, in the shape of sole and direct profits, to the furtherance of every separate mercantile scheme. That it may be hence expected, that an individual will be more active and inquisitive, a Company more indolent and careless; that the one will create mercantile objects;

while the other may neglect those which are present to their hands. But giving due weight to every one of these suggestions, they decide nothing in the instance to which they are applied.

The Indian trade, from the first moment it was pursued, to the present hour, could not be considered as an ordinary trade, nor could it be followed in the ordinary course. Obstacles were opposed to it, both at the beginning, and in its whole progress, that called for more general exertions and for larger capital than individuals could supply. The trade, even at its maturity, is of a limited and delicate kind; and though it might possibly have been enlarged by the commercial zeal and enterprize of individuals, it also might have been endangered by the same means. Eagerness and excess of zeal might have crushed a commerce, in its birth, which is admitted on all sides to be of a puny and curious texture. The trade of India, like all great undertakings, depended for success, on a regular and orderly prosecution of it, not on a sudden and instantaneous impulse; more on perseverance, than immediate force. Individual zeal, directed by individual interest, and acting on its own principle, looks only to its own good, is abated by every disappointment, and overwhelmed by the defeat of its adventure: let it be ever so prosperous, it aims but at a single object—it begins and ends with itself. The views, on the contrary, of an united body of Merchants, such as the East India Company, are more large and combined—the spirit which is called into exercise is of the same kind; it is not to be raised or disconcerted by any one event, for it pursues its ends, not by fits and starts, but by organised and systematic means; in its success it is not elated into extraordinary speculations;



in adversity, as its losses are divisible and shared, it falls not into despondence or despair ; it looks not for immediate, but ultimate gain ; and therefore does not anticipate it, on any single necessity or occasion, but patiently awaits it as a conclusion of the whole. If one would seem to be more active, the other is more patient and enduring ; if one be more adventurous, the other is more secure. If the one may achieve more individual gain—the other, it may be inferred, from the stability of its undertakings, may more promote the interests and the service of the state.

Not wishing to dwell on the obvious advantages, which a Joint Stock Company must possess, over insulated adventurers, in a slow and distant trade, requiring a large capital, and growing expense, I shall labour not to establish a position, which would seem sufficiently self-evident ; that if the East India Company has some disqualifying properties inherent in its constitution, in common with other joint companies, for prosecuting the trade with India, it has at least some qualifications of its own, that have tended to facilitate our early commercial intercourse with that country ; have maintained and preserved it in its progress, and have brought it to its present perfection, whatever that may be. It has presumption and prescription in its favour, and is not to be defeated by opposite presumptions, carrying with them neither age, experience, nor authority.

They who seek the overthrow of the Company's privileges, must prove, that they do not answer the ends for which they were granted ; or that those ends would be more largely advanced by a different disposition of things ; or, in other words, that the interests of the

country are not consulted, as originally intended, in the mode of carrying on the commerce with India, through the medium of the Company ; but would be beneficially increased, by throwing open the doors of the trade to the general body of its merchants.

The first or negative position need not be examined. It is from its nature incapable of proof. If the latter or affirmative proposition be established, it would seem necessarily to include what is predicated in the first. If the trade to India be capable of increase, in any considerable degree, so as to render it important in a national point of view, by the admission of the mercantile community to the participation of it, it would seem to follow, that the interests of the country are not served, as suggested, by suffering the trade to remain exclusively in the hands of the East India Company. There are, however, other great and leading considerations, involved in the proposition, that I have touched upon elsewhere, which are not to be overlooked, but which I wish not to repeat, being anxious to proceed to the examination of the question, whether the public interests are likely to be increased and sustained, as it is asserted, by an open and indiscriminate, instead of a restricted and regulated trade.

It will be the business of those, who wish to drive the Company from its possessions, to shew to the conviction of the House of Commons, ere it can sanction any material innovation, that the British Asiatic dominions may be made more useful and profitable to the parent state, than under the exclusive Government, political as well as commercial, but more especially the latter, of the East India Company. It is theirs to prove, an indispensable task, that our eastern commerce is now depressed,

in the hands and management of the Company ; that it admits of extension, and would be extended on other principles of management : that the great body of our manufacturers and merchants would be benefited, and the public revenue consequently augmented, proportionately with the success of their efforts, in extending the scope of trade.

I am free to confess, that if the opposers of the Company's charter should succeed in establishing these various grounds, there could be no serious denial of the right, respecting still the Company's separate acquirements, for which they principally and strenuously contend. But as the consequence would be so serious to the Company, and the country itself, the conclusions insisted on will be investigated, in all their relations, as thoroughly as the facts and premises from which they are supposed to be deducible. All the stale arguments against monopolies—all the novel speculations arising out of loose, undefined principles—the laws and maxims of general political economy, will be regarded only, as they shall be found to adapt themselves to the object, on which they are supposed to bear. They may be truisms in general application, but unfounded and fallacious in reference to the particular case.

The commerce with India, say they who are advocates for a free trade, is fruitful and inexhaustible in its objects, and immeasurable in extent. It affords a wide field for the exportation of our manufactures, a most valuable and never-failing return of native local produce, and the exchangeable works of art, which would lead, if properly managed, to the encouragement of our mechanics and artisans, in the sale of their superabundant store, and in the supply of materials for fresh and future labour—a

consequent employment for the capital and exertion of our merchants, with all the resulting national benefits following and flowing in natural course : that this commerce, if rightly understood, has not been adequately maintained by the East India Company ; that neither its capacity, capital, nor constitution, is calculated to embrace a commerce of such variety and magnitude ; that it has, therefore, been neglected, or not sufficiently cultivated, and suffered to remain a waste, even at a season of unparalleled commercial distress, when our manufacturers and merchants are drooping and decaying for the want of opportunities of exercising their particular callings.

The latter melancholy circumstance has had an undue operation, it is to be feared, on the public mind, in its view of our existing eastern commerce. The temporary sufferings of the manufacturing and mercantile interests, appear to have excited a jealousy against a branch of commerce, which is least of all affected by the causes, that have diminished for a while our other mercantile outlets and resources ; and to have given an importance, an ideal, not a real consequence to it, which never has, and never can belong to it. Hence it has been heightened in a fanciful degree, to the eyes of those, who covet, and sunk, in the same proportion, and under the same influence, in the hand which possesses it.

The truth is, as is shewn by the well known and authenticated history of British Indian commerce, that, with however an extensive track of country it is maintained, and with however numerous a population it communicates, it has been of secondary or little value, as a trade of export ; in which quality it is particularly

respected, in the extraordinary notions, now entertained of it. \*

The Indian trade, in its incipient state, was almost entirely carried on by the medium of bullion, which is no inconsiderable ingredient in its support, in its present more perfect condition. By the subsequent care and policy of the Legislature, by the correspondent attention of the East India Company, and, moreover, by the favourable form of its constitution, that could submit to such a sacrifice, the naturally-limited outward commerce has been extended, at the sole expence of the Company,

\* The fact is established, beyond all controversy, in the genuine history of Indian commerce, submitted by the Select Committee of the Court of Directors, and annexed to the Supplement to the Fourth Report of the Committee of the House of Commons, on the Affairs of the East India Company. The Report abundantly shews,

“ That India, under Asiatic Sovereigns, never had any capital of its own, applicable to European commerce.”

“ That the native inhabitants never had any genius or inclination for distant enterprises.”

“ That the manufactures, in European demand, were set on foot, at our first intercourse with India, by money exported from Europe.”

“ That, from the date of our territorial possessions, the private fortunes of individuals, and the tribute of India, have generally furnished the capital for exports.”

“ That there is no capital in the hands of the natives, for the extension of exports from India.”

“ And that the vent for European manufactures is limited and incapable of extension, from physical, as well as moral causes.”

Every one of these positions is made out by satisfactory evidence,

by a regular and large export of the first staple article of the country, in a fixed quantity of wrought woollens.\* Except in the instance of unwrought metal there is no other branch of export, as relates to the native population of India, that is even worth mention.

The private trade of the Company's maritime officers need not be taken into the account; as it is confined solely to the use and consumption of British subjects, under a licensed residence in India, and for the most part retained in the Company's civil and military service, and to a mere handful of the descendants of foreign Europeans, Portuguese and Dutch, thinly scattered at the different Indian Presidencies. This species of commerce is liable to the same consideration with domestic trade. It is a consumption of our own manufactures by our own subjects, with little modification. It admits not of material increase, and in what it may be increased, it is in so much a diminution of the consumption of the like manufactures at home. If it be thought that the manufactures of India may usurp or supply the place, in some respects, of articles of British workmanship, the advantage may be understood as more than compensated, in the improved ability of European

which would seem irrefragable. *Vide* page 16, *et infra*, of the Supplement to the Appendix to the Fourth Report; and the Letter of the Chairman and Deputy Chairman of the East India Company, to the Right Hon. R. Dundas, p. 13, and onwards, of the papers respecting the negotiation, &c. published by Black and Parry, octavo edition.

\* The annual export of woollens exceeds one million. This, though prescribed at first by Charter, has of late been kept up, in a spirit of patriotism, or in the pure bounty of the Company.

residents, from local employment and gains, to purchase and consume a greater quantity of their own native products and commodities, that will have contributed in a larger degree to the benefit of the mother country, by the circumstance and consequence of their transit to India, through the mercantile purposes which they shall have intermediately answered.

What has been said of the Indian trade, as it regards our own country, is referable to all the countries and states, that have at any time engaged in it. The very genius and nature of the trade forbid any extent of exports. It is the reverse of a trade of barter, or mutation, or exchange of commodities. The history of the Dutch and French adventurers and companies, and of the more recent mercantile schemes of the Americans, is in proof and confirmation of this assertion; which, it is conceived, is not liable to any serious or specious question. Have the old and new worlds, who have kept up a commercial intercourse with India, been alike deceived in the capacity of the trade? All equally blind to the discernment of their own interests in the prosecution of it? Or has any fresh light, and what, broken in upon us from the surrounding cloud of utter and impenetrable darkness? Yes! a new Sun has shone, not on India, but on Britain—not a natural, but a political light, which has discovered the darkness and the error of our ways. A band of political economists, rushing newly from the schools, have attempted to illumine our ignorance, by showing us, that, according to their philosophy, we have mistaken the very nature of the commerce itself, and are most egregiously bewildered in the mode and principle of conducting it. That the field of

commerce is wide and wide enough, but that it is ruined by the manner of cultivation. To see how their axioms are established, it may be necessary to observe on the reasoning, and the facts by which they are supported.

The chief arguments adduced in favour of the capacity of the Indian trade, arise out of principles supposed to be long established, and therefore familiar to commerce in general, without adverting to the dissimilitude of Indian commerce with that of other countries. Much of the fallacy in the arguments that have been offered on the subject, has its origin in the fundamental error of assuming, that the manners, habits, and wants, of the natives of India, are the same with those of the inhabitants of countries, with whom a closer and nearer interest has been maintained in the ordinary commercial course. But one might as well attempt to include all the wants and necessities of every people on the face of the habitable world in one term and description, and to provide for them by a single contrivance, as to lay down any general rule which should apply invariably to all.

There may be modes, it is true, more favourable than others, for facilitating and speeding the slow march of commerce; and these may have been so much approved in their experiment, as to afford the grounds of commercial maxims; but then they all presume, what is not admitted here, as regards our export commerce, the capacity of extensive trade. Particular means may spread and scatter commerce where it previously exists; but they will not create it where it does not.

All barter must depend, it is conceived, on the peculiarity of the parties dealing together, and of their abi-



ty to supply or receive in exchange the surplus produce and manufactures of each other. In the approximation of countries in climate and habits, the commerce, generally speaking, may be supposed to be more wide and complete, and in their relative distance from each other, in one or other of these respects, it will be in the same degree confined and imperfect. In neighbouring or contiguous countries, where the climate is alike, and the products similar, and where customs vary but little, the natural and artificial wants must, in a great measure, be the same, and the mode of providing for them must generally correspond; each will, therefore, have to spare for the other, when it is wanted, more of its natural or manufactured produce, according to its respective means, from some favouring circumstance either of soil, of season, or of population. Such countries, having the same necessities, the same means of life, the same manners, with few essential differences, will have more to dispose of, that is suited to each other's use, in case of need. Here the articles of necessity and luxury are alike convertible to the exigencies of both; and must, therefore, from the accidents and inconveniences of life, be more generally required in exchange. Scarcely any thing of superabundant production, either in growth or labour, but what may be turned to the good of those who possess, or the use of those wanting it. This applies to the condition of the family of European states or nations, relatively with each other, to whom, as their general situation is alike, general rules may be applicable.

With countries distant from one another, such as

Great Britain, China, and India ; of a climate differing from one another, in the nature of its produce ; and of manners, and laws and religions, as opposite as climate ; it is not to be expected that they will have much to exchange with each other, as fitted to each other's use ; nor is there the same facility of supplying to one another what the necessities of each might demand. In export commerce, articles of necessity, whether primary for food, or secondary for convenience, will form the bulk of the trade. The intervening distance between the latter countries and our own, and the perishable nature of what is assignable for the food of man, precludes any wide interchange of the articles of the first necessity : others of convenience are as little transferable between the distinct countries as the primary ones, from the difference of climate and the wants to which it gives rise, as well as from popular manners. In addition to these contravening causes, are to be mentioned the jealous policy of the law in one instance, and religion in the other, co-operating also with the unabating rigour of an unalterable law, which throw their mighty influence into the scale, preponderating already, and will not suffer it to rise to its balance.

The Chinese law shuts the door completely against foreign intercourse, no matter with what view, and with what condescensions it may be sought. The event of the late national embassy is sufficiently declaratory of the fact. The mode, too, of carrying on the little commerce that this extensive empire chooses to allow, through a narrow and distrustful wicket, and this only half opened, may teach one what to look for in a trade

so conducted.\* The religion and law of the Hindûs act in the same, though not exactly in so direct and obvious a way. Their religion is law, and the law religion. As the law is understood to be revealed, it will not submit to alteration ; but keeps the subjects of it in one undeviating slavery. The Hindu is the same servile, unchanged, and unchangeable creature now, that he was several centuries ago ; the obedient child of the law, and participating of the fixed and inveterate habit of the parent. The influence of climate confirms and strengthens the arbitrary dominion of the law. These make and keep him a segregated being from the great body of his kind ; fearful of, and flying from, the contact of strangers ; and refusing any, and all, direct intercourse. His own soil produces in abundance, and almost without the trouble of culture, all that is necessary to his wants. The fertility of the soil superinduces an unconquerable indolence. Religion, interposing, narrows and limits his wants, and will not permit them, in spite of inclination, to run into excess. His customs and habits are subservient to, and regulated by the law ; instead of giving a tone and character to the law itself. An uniform and prescribed food satisfies his appetite,—a thin and unvarying garment covers him from the weather,—his religious ceremonies determine the quality of his cloths. An humble edifice shelters him from the change of season, and the heat of the climate requires that it should be open to the air. The nature of

\* It is unnecessary to speak of the nature and peculiarity of the China trade, since it seems generally understood, that it will be left, with very little alteration, on its present footing.

the dwelling precludes costly furniture, and the household utensils conform to the primitive simplicity of the arrangement. The maintenance of this scanty establishment, is also admirably provided for by the policy of the law, in the division of casts;—a distribution, which induces the dependence of individuals on each other, and integrally on themselves, for their constant and unfluctuating support. Whether man in this condition be fitted to help and assist the commerce of a state of society exactly the reverse, would seem scarcely to admit of a question: man, too, not in a barbarous, but a civilized condition, endowed with, and communicating science, exercising the most curious arts, and capable of estimating all the ornaments of life; but excluded from indulgence in them, as it should seem, by the prescription of his charter. Is this a being, it may be asked, who may be drawn into new relations? who may be cheated from his habits and his prejudices, and be taken in the toils of trade? What is the history of our own, and of all other experiments on this singular and extraordinary phenomenon? The Portuguese and Dutch have maintained a friendly understanding with him, it is hardly to be called a trade, even longer than ourselves, and they have made as little progress as ourselves, in moulding him to their commercial purposes. The French, with their well-known pliancy of temper, and peculiar arts of colonization, have endeavoured, in their turn, to make a more fortunate impression, and have experienced an equal disappointment with other European competitors. The Americans, also, have attempted the same thing, and with the same success. The scheme, then, has not failed for want of

experiments or perseverance ; but from fixed and immutable causes, that cannot be overcome. Not one of these mercantile and enterprizing powers, in an intercourse of two centuries and a half, has been able to introduce into a society, constituted as is the Hindû, the slightest taste or desire, and the reason I have attempted to explain, for the articles of their respective manufactures. None of them, it is admitted, have aimed at the introduction of such a taste through the previous removal, as some of the advocates for free trade would counsel, of the prejudice of religion and native customs. These successive adventurers had seen the country and the people, whom they were desirous of engaging in trade, and were convinced, by their own eyes, of the impracticability of such an attempt ; if they had not been before assured of the impolicy of it, from the known operation of causes and effects. They were content to go on in the smooth and beaten way—to wait for the dispersion of existing popular prejudices through the medium of commercial intercourse—not in the rashness and weakness of the new philosophy, to take prejudices by storm, and convert them in the perverted order of things, into the means instead of the end of commerce. If the adventurers failed in this their practice, they had at least reason and experience in their favour, and will take no shame for the result.

From the failure of these repeated experiments, and from the nature of the European export trade with India, which I have endeavoured to describe, all rational speculation for the extension of exchangeable commerce would seem hopeless and at an end.

Large and unbounded as the field of India is, it is not a recipient for our superabundant produce ; it

affords no vent for our labouring export commerce, nor holds out any fair assurance of success to future attempts or to future adventurers.

The same causes, that put a limit to our exports to India, would seem to interpose a barrier, equally insurmountable, to the advance of our import trade from that country. If the various produce of its soil presents certain articles in commercial demand, they are in general the common growth of other countries, nearer in point of position, or preferable from peculiar policy to our encouragement; or they are of such a nature as to govern and prescribe their own extent.\* Of the first kind are cotton and sugars, the growth of our West India Islands—of the second may be mentioned indigo, and hemp, and indeed sugar, which would require the outlay of British capital to extend them beyond their present cultivation:† and of the last, spices, drugs and saltpetre,

\* They who recommend the cultivation of the Export Trade from India, to a farther extent than as at present practised, by the pursuit of new branches of Commerce, would do well to deliberate on the following passage, in the Supplement to the Appendix to the Fourth Report. Page 20.

“But the grand objection of a Commercial nature to this new Trade, is that a *considerable capital must be transferred from Great Britain to carry it on*. In one of the Papers from Bengal, it is hypothetically stated, that in a few years the Export of Sugar, from that Country, might be raised to 100,000 tons. Doubtless, in a vast extent of fertile soil, stretching from the sea almost to Delhi, it may be possible to carry the culture of Sugar, and various other articles, to a very great length; and persons, unacquainted with the circumstances of that Country, might imagine, from reading such a Statement, that the main thing to be done, was, only to open the door wide enough for Exportation. The fact, however, is, that four or five Millions Sterling from this Country must be furnished, to pay for the first cost, and the transportation of that quantity of Sugar; for Bengal has no such fund

certainly valuable articles, but of little bulk, and necessarily limited in use, form the most material part; and could afford not much employment, either for our merchants or our ships. The general inapplicability of Indian produce to European consumption, and the expense of carriage, from the circumstance of distance between the country growing, and the country consuming it, will allow of the importation of few, if any articles, into Europe, beyond those enumerated.

The Manufactures of India, in European demand, or adapted to European consumption, lie in as narrow a compass as the natural produce. These are piece-goods, chintzes, and muslins; articles of manufacture common to European, as well as Indian states, and, therefore, as coming into competition with domestic manufacture, not likely to receive any preference, so as to increase the present demand for them. If, contrary to the obvious policy of the European states, these articles should be preferred to like articles of home manufacture, it might even be doubted, notwithstanding the all-devouring dictum of political œconomists, whether the supply, from the stubborn nature of the Hindû people, could be rendered commensurate with the demand. The artificers of India, like all other casts, have their peculiar destination, and are so distributed and disposed, as to answer the views of the great system by which they are governed. The Hindû constitution is a kind of patriarchal institution, by which the members are made to administer to the wants and conveniences of the family

of its own, applicable to any purpose of that kind; and the same observation must be applied to any large extension of other new ARTICLES."

association, and their offices are confined, as it were, under the roof of the little republic, and with an aspect purely to its needs. The weaver, and every other description of mechanic, the farmer, the dealer, and the labourer, forms a distinct and separate class, bearing a relative proportion to one another, in respect to numbers and employments, which he is appointed to fulfil, and the ends he is intended to serve. Every one of these has a mark and an indelible character impressed upon him, which cannot be erased. Each is doomed to labour in the walk allotted to him, from generation to generation. It is as impossible to escape from one cast to another, as to exchange the occupation that gives the designation and name to the cast, by which it is known. The skill and art, and labour of one cast is not transferable, therefore, in aid and assistance of another.\* A great excess of any one given manufacture, over the present supply, cannot of consequence be expected; not on account of any niggardliness of nature, in the produce of materials, but from the state of man, whose hand

\* It is remarked in a recent publication, treating incidentally on this subject, that the labour of certain mechanics might be convertible, with proper care, to other pursuits, than to which it is devoted by the unyielding law of cast, and by means of a very simple stratagem, which is no other, than by prevailing on some principal members of the tribe in requisition, to set an example to their subordinates, when the work would be done. The device is certainly new, and curious enough but unfortunately the contrivance is not specified by which the conversion of the principals is to be effected. And until this very necessary operation be revealed, it may consist with common understanding to suppose, that the heads of casts may possibly be found as inveterate in their prejudices as their inferiors, and may have fewer inducements, proceeding on common calculation, for quitting their assigned station.



alone can shape them into form. The condition of manufactures, as every thing else in this singular scheme of government, is fated to be stationary.

The value placed on particular artificers and their labours, and the impossibility of supplying their place, is in some sort shewn by the endless differences that are known to arise among bordering states, from the reception and entertainment of the respective artists and mechanics of each other, which not unfrequently terminate in extreme acts of hostility.

Causes and circumstances, such as these, familiarly known to those, who have any knowledge of India or her affairs, must keep the import trade from our Indian possessions, as the export commerce, on a narrow and unimproveable scale.

There are persons, however, on this side the water, who do not venture to dispute the facts on which the immediate conclusion is founded, yet scruple not to call in question the conclusion itself. These affirm, that the limitation of the existing Indian trade, which is admitted, is not owing to any natural obstacle in the way of the trade itself, but to the manner in which it is conducted, that defies all improvement. It would be absurd, say they, to pronounce on the capability and value of our Indian commerce, from the unwise course, the confined stream, in which it has been permitted to flow. Would you take the account, they exclaim, of the East India Company; which is nothing more than a recital of misadventures, from its own mismanagement, and its own incapacity for trade, as a true criterion of judging what the Indian trade might be in the hands of other persons? Then follows a tirade, a never-tiring tirade against mono-

poly and monopolists, as if to the condition of the Company, and not to physical and political causes, were imputable, all the defects and evils about which they rail.

I have already stated, all that is felt to be necessary to urge in refutation of the principal allegation against the Company's monopoly, by shewing that it was the only mean devisable in the wisdom of the legislature, for managing the trade of India, and had been made subservient in every stage of its progress, in contradistinction of all other monopolies, to the public benefit, which ever had been preferred to the particular good of the Company. I shall only offer, at present, a short remark or two, on the glaring effects of the monopoly, in the estimation of the impugnors of the Company's Charter, and their agency.

It is argued that there is a carelessness and indolence in all joint stock Companies, that check the enterprise and efforts necessary for the spread and establishment of commerce: and that there is, moreover, an extravagance in all their concerns, that renders their success, whatever that may be, when compared with the proceedings of individuals, unprofitable in the issue.

It would seem not quite fair or equitable to consider the trade of the East India Company as a pure monopoly, or to apply those principles to it, or to reason upon it, as an establishment of that description. For the English East India Company; and, indeed, all foreign Companies of a like nature, though savouring of monopoly, have yet allowed, for the most part, a private trade to co-exist with their own: so that the exertions of individuals, and, in respect to the English East India Com-

pany, on a somewhat extensive scale, have co-operated with the Company's endeavours, but hitherto without any notable effect, to enlarge our Indian commerce. At particular seasons the whole mercantile community have been admitted as sharers in the speculation : at other times the different and distinct members of the Company have enjoyed, and have used the liberty of separate, with their privilege of a combined trade ; and, at *all* periods, in the history of Indian commerce, the officers of the Company's marine, partaking of a commercial character, improved by local knowledge, have been permitted to carry on, if not rival, at least congenial speculations with those of their employers. All these united and separate means have been called into use ; and, if they have proved unavailing, we must look to some other cause than indolence to account for the event.

Such is the monopoly of the East India Company in practice ; and it might be inferred, and probably with truth, that if the public had been generally permitted to trade with India on unlimited principles, instead of the calumniated monopolists, it might not have been disposed to make equal efforts, or, if disposed, might not have sped equally in its purpose with the East India Company.

If the scheme of open trade has not yet been put for any length of time to the experiment, the principle has been sufficiently essayed and acted on, in the commercial transactions of the several officers in the Company's naval service, to shew what it is capable of. Individual industry has in this way been submitted to the test, with all the stimulus which individual gain, or the hope of it, will inspire, and its achievements are notorious. How has it promoted the interests of the trade ?

How has it answered the views of individuals? These private adventures have been conducted on the most advantageous plan; free from the incumbrance and burthen of outward and homeward freight, no inconsiderable bounty, it may be thought, to liberal speculation. Yet, with all these appurtenances and means to boot, the trade of India is now, with little difference, what it was some centuries ago. The persons, of whom I am now speaking, are not strangers to commerce, but have been schooled in it from their infancy. They are not foreigners by birth or habit: they are merchants in every sense of the word, English merchants: they have the same intelligence, the same spirit, the same enterprise, with the most enlightened, the most liberal, and the most adventurous of their fellow merchants. Shall it be permitted to the latter to tell them that they are dolts in their profession, or that they want the common energies which characterise the universal body of their countrymen? So far as concerns this particular class of merchants, then, the spirit of individual energy has been drawn out, and its effect has been ascertained. Of the same materials with them, the British mercantile body is constituted, and from the application of the same power, the same operation may again be expected; it is unreasonable to expect any other. You may increase the scale of action, but the bearing of it will be the same, the degree alone will be different. I am not inclined to pass over some disabilities under which this description of personages labour, in relation to their ships and their masters. They are, it is true, directed and confined in their speculations, by the will of their employers, and by the destination of the voyage. Their endeavours are chained, as it were, to

the sea-coast, and the different ports of India. This, undoubtedly, is the fact. They have not, however, been fixed to an unvaried spot; but have shifted their position, in the circle of their employment, through the whole round of the territory; from the nearest to the most distant point of the Company's possessions. Where, it may be asked, could a more eligible opening to commerce afford itself, than in the very spots to which these officers are sent? At which a large body of licensed British traders, unconnected with the East India Company, are also domiciled. This is the very seat, of all others, at which commerce may be expected to commence; and whence it must diverge, in a natural channel, to other parts of the Peninsula. The native inhabitants must be more social here, and less disinclined to commerce, than in the interior of India. Trade must flourish here, if it can take root any where. From the willingness of the soil here, if it should be found kind, we might anticipate its quality in other places.

A constant and unceasing trade has been maintained for more than two centuries with the settlements on the several coasts of India, not only by the English, but other foreign companies, and residents, who have stocked their markets, as their several interests would dictate, with all the commodities that were likely to satisfy the wants, or gratify the acquired taste of the natives, who had been prepared for the reception of such commodities, by long acquaintance with, and observation of, European manners, and the improved means and luxuries of their life. And what is the event of this history? Why,—except in two scant articles that have been partially introduced, the natives have rejected all our offers and

temptations. Is it that our proffered merchandize came not reasonably, in point of charge, to their hands? The markets, it may be observed, have at times been supplied to a satiety, or over-glutted. Articles of European produce have often fallen on that account far below the prime cost, and still they have not seduced, in this most inviting shape, a solitary native to become a consumer of our commerce.

Have our own East India Company, with all the foreign mercantile societies who have ever set foot in India, made no enquiry, or had no opportunity of informing themselves of the articles which might be useful or exchangeable in native commerce? Or have they all, unaccountably, dropped down on places, where the natives, different from the body of the inhabitants of the Peninsula, have neither wants for foreign produce, nor the capacity for trade? Should these several adventurers have neglected every means of personal information; a knowledge of this sort would have imperceptibly impressed itself, in a long and continued intercourse, by the discovered wants of the natives, and in the manifested desire to satisfy them. These rather, than invitation, or the winning courtesies and arts of trade, form the first and most important foundation of commerce on any large field. Such adventurers cannot, therefore, be imagined as wholly ignorant, at this day, of the commercial exigencies of India, much less can they be supposed to have been led into any very striking error, as to the local situations adapted to their views; for, fall where they would, they must have lighted among men, the expected consumers of their exports, of one and the same character.

If there be any people less variable than others in their wants, their habits, and their prejudices, it is the mass of the people of the East. When you contemplate the one, you have the whole race before you. A complete family likeness pervades the entire human species. The natives on the coast are the same with the natives every where else. If the first have been able to discover what their own wants are, they are acquainted, necessarily, with the wants of their kind in the whole breadth and length, the square and the circumference of India. If the European adventurer should heedlessly overlook the circumstance of those wants, or omit to govern his speculation by them, it would not be very probable, if any commercial understanding or talent be presumed to be among the acquisitions or properties of the native, that he also would be guilty of the same fault, or would fail to benefit by the omission. Now, whatever unfitness or disinclination there may be in the native character to foreign commerce, there is a peculiar fitness in it, and a curious determination towards internal or domestic trade. A more zealous, patient, persevering, and economical commercialist than the native trader, cannot be imagined. Shew him the least prospect of success, the slightest hope of profit, and he is to be engaged, either as a principal, or a willing and active agent, in any and every branch of trade. He is, from this very disposition, I speak from some experience, the constant instrument, the great and invariable promoter of European commerce. He will buy with you—he will sell with you—he will do any thing, but be the consumer of your merchandize.

To see how far the native propensity to trade may

be carried, it is needful only to refer to the well-known, incontrovertible, though scarcely credible, fact, that he will put on the character of a dealer in European commodities, not with the vain and fruitless expectation of selling his goods to his native brethren, for he knows how vain and bootless the expectation would be, but for the purpose of re-selling, what he has bought from Europeans, to Europeans—from the non-resident to the resident. Thus he becomes, in the true spirit of trade, the second-hand vender, the retailer, and even huckster, of European produce to European consumers. There is not a settlement of British India, nay, scarcely a cantonment, but what exhibits one or more of these examples of this aptitude and eagerness for trade. It may be added, too, that there is scarcely a bazar, or market, in the Peninsula, but what hangs out, in its alluring display, to catch the eye of the passenger, the unheeded temptation of European manufactures.

It will be seen, from these notorious facts, that arts enough have been tried to clear and improve the way for the introduction of British exports : and it will not be doubted, that the same industrious agents, who are so busy and so anxious for the accomplishment of British objects, are equally active in the service and promotion of their own ; that, knowing our demands, and their own ability to supply them, we may allow them credit for drawing, under the stimulus of gain, as largely and deeply from their resources, as the resources are competent to answer.

It is only justice to the East India Company to notice, that they have not been wanting to themselves or to the country, in co-operation with the spirit and energy



of their native subjects, in endeavouring to discover and profit by all the gifts of nature, in this her most genial and productive region, as well as the efforts and works of art. The many commercial progresses, made under the Company's auspices, or their more immediate direction, throughout their old and new territorial acquisitions, and in the bordering countries, on every side of their dominions; are in proof of their desire to extend the confines of their commerce. The published reports and records of these peaceful embassies, afford the same impressive evidence of the liberality in which these discoveries were sought. Not a part of the vast possessions of the Company has been left unexplored, and its productive powers have been alike laid open, in a fearless confidence, to the naturalist, the merchant, and the politician. It would be difficult to point to any geographical division of India, of which the public have not already an accurate and digested account of what it has to offer in natural bounty, or the improvement of art. That these various stores have not been neglected, when found, the most undeniable proof is afforded, in the fullness of the Company's warehouses; and too convincing a memorial of the superabundance of the supply to European demand, is to be discovered in the stagnate state of its consumption. If more articles were imported, in the present posture of export commerce, what other end could they serve, than to increase a stock, which is already a burthen?

What is there, it may be enquired, that has not been attempted to render India commercially profitable to Britain? What has India to give, that is not now enjoyed in ample provision? What is there in the most

sanguine expectation of the most sanguine speculatist, that he would recommend to be adopted?

I have not been able to collect from the most warm, opposer of the Company's Charter, the most wild projector in the new school of commercial policy, in what he really looks for benefit from an open and free trade. He talks loudly and unweariedly of the unbounded capabilities of the soil, of the countless numbers of its people, and of the immense riches which both might be made to yield. But however eloquent on his general plan and prospect, he is absolutely mute on every subject connected with the realisation of his scheme. He favours us not with any enumeration of the objects of his contemplated exports, or the nature and extent of his returns. He explains not his methods for converting an impracticable people into the obedient instruments of his interests and his will.—He condescends not to go into the tedious, intricate labyrinths of detail—but takes it for granted that his proposition is irrefragable, and that nothing else is wanted, but to cast down the barrier against European ingress into India, when all the flatteries of his golden dreams will be substantiated. It will not suit with the ardour of his temperament, to delay his rich harvest, until he shall have satisfied his landlords, the Parliament of Great Britain, how he intends to use the field and the implements, which he is desirous that they should take from the Company, to entrust to his better management. No task could be more irksome, than to ask of him, how he means to cultivate the soil—and to what ends, even in his own imagination, it will conduce. These circumstances must be taken into the serious consideration of Parliament,

though they do not, unaccountably, enter into the present views of other parties. Zeal may be the feature of one; but prudence and discretion is the distinguishing characteristic of the other. Parliament will not disturb the settled state of things, without knowing that the change, which is solicited, be for the benefit of the country; and that the benefit will be certain and constant.

The suggestion, perhaps, of a few pertinent questions, as to what the Reformists *specifically* want, and how they intend to compass it, would be decisive of the question, whether the Charter should be renewed or not: The East India Company might safely trust the event to such a test.

There are Quixottes in commerce as well as chivalry, who would sail on a voyage of discovery, for the purpose of attacking and subduing monsters, not the indigenous inhabitants of the jungles and the forests, numerous enough in nature, but the creatures of a clouded and fevered imagination: these disturbed minds are eager to commit themselves to the vasty deep, in quest of wondrous adventures, if their friends, or the law, will suffer them to roam at large. Some commercial Quacks, too, not quite so mad, but fully as desperate, as these self-deluded beings, would free the trade from all existing obstructions, by a bold *nostrum*, by a "kill or cure" practice, without once bestowing a thought on the organic formation, the physical imperfection of the body, on which they would try their powers. Ignorant of general principles, narrowed in the scope of their enquiries, and fearless about consequences, these empirics would handle without caution, what a regular and skilful

physician would tremble to touch: he is too well acquainted with the history of his profession, the true principles of his science, and the value of his character, to force a remedy which has been carried as far, as a watchful and observant practice dare venture to apply it; where there is no encouraging probability of effecting further good, and where the prescription, if it should be as operative as might be desired, would be more speedily destructive, than the continuance of the evil; when the patient, though he might escape the disease, would be dispatched by the fate-disposing dose of the doctor.

One might think, that the effect of an open trade with India has been sufficiently ascertained, in the instance of the American trade; though it be not exactly analogous to a common trade, under the conduct of the unlimited members of our own mercantile community. America, it is known, has maintained for several years a trade with the different coasts of India, by virtue of a treaty concluded by her with the British court, and she has yet to look for any considerable advantage from her exports; or any addition to her importable articles from that country. To break the force of the inference from the first circumstance, it is said, that America is not, like England, a manufacturing country, and, therefore, has but few objects of export. But does she maintain no commercial relation with manufacturing countries, with which she might barter her marketable produce in the Western world, in return for articles in supposed demand in the East? Is there no benefit, individually or nationally, to be derived, from this compound species of commerce? Is not America in the actual habit of resorting to this intermediate course of trade, in the

export of articles of European consumption? If she confines herself solely to these, the conclusion is inevitable; that the market of India is not open to any other. The presumption, arising out of the fact of her present imports from India, which are stated to be on a large scale, is mainly to be repelled by a reference to the peculiarity of the present times, and to the immediate restricted condition of British commerce; as also to the influence of privileges enjoyed by America, originating in her national and neutral character; privileges of a temporary nature, and answering but a temporary purpose. These circumstances afford not any ground for argument, either in favour of the latitude of the export or the import commerce of India. America has leapt, by a fortuitous and fortunate state of things, into the seat of the East India Company; but she fills it only on sufferance, and must yield it up, the instant that circumstances permit the resumption of it. The neutral American, in the interim, dispenses, what the East India Company, partaking of the quality of a belligerent, is not allowed to dispense; and what the English merchant, equally with the Company, would be excluded from dispensing. It would not be easy to draw an inference, operating one way or other on the East India Company, that would not fall with the like pressure, be it more or less, on the body of British merchants.

The American trade, proceeding, as it does, on a fortunate and temporary contingency, can decide nothing in consideration of the general question, of what the trade

\* The Madeira, consumed in India, is chiefly imported by Americans.

is susceptible, or of the policy by which it should be governed. The question must be determined not on fancied analogies, but on established facts and reasonings, directly referable to the subject, and about which there can be no dispute.

It would be insulting to your understanding to repeat, what has been before remarked, on the nature and history of our Indian commerce; which, whatever its character at the beginning, at this day depends essentially, as has been shewn, on our local territorial dominion. This, from the very numerical amount of those, over whom it is exercised, must be taken to spring from the favourable opinion of the subject people of our imaginary power, if not of our actual or relative force. Does not this universally admitted fact meet the enquiry in its teeth, and challenge a discussion by itself, preliminary to an investigation into pretended popular rights, that the legislature has hitherto controlled?

The necessity of preserving and continuing this empire of opinion must be apparent, even to those, whose ungovernable impetuosity would destroy it. How, it may be enquired, is this favourable impression to be kept up, with the introduction of the British population into India, bent on gain alone, and with the importation at the same time of all the stratagems and wiles of trade, calculated to insure it? What opinion would be entertained of the victors of the Mahomedan conquerors, the successors of the ancient, the rivals of the modern Alexander, if stooping from their state and superiority, they should dwindle down at once to the degree of petty and squabbling shopkeepers? Spare us the mortifying sight of seeing a constituent part of the sovereignty of India,

the materials of which the whole is composed, with a pack or wallet on his back, traversing the country which he ruled, and with a paltry, pedlar-like spirit, soliciting the encouragement of customers, and prying for an opportunity of sordid profit, in a forced barter of unadapted and unaccommodating commodities! If the outward bearing of the East India Company shall be thought above their mercantile condition, this, the opposite and reverse of their conduct, but the natural consequence of separate trade, would be as much below and incompatible with the condition of those, who should expect to maintain a rule, which is, and only can be sustained by opinion and reputation.

I have submitted to you, what I intended from the beginning, a rough and general outline of the East India Company's trade, and have explained the original peculiarity, the subsequent modifications, and the mode of prosecuting it; and I have endeavoured to shew that it is a trade of an unique character, introduced by singular circumstances; not so much by the arts and instruments of peace, as by the power and influence of the sword: that it has preserved throughout the mixed quality with which it was primitively impressed: that it was never regarded either by statesmen or the legislature, as of great substantive importance, but as a relative good: that it is limited in its nature, and incapable of artificial extent: that it has been cultivated in the way, which in the sense and wisdom of the legislature, it is most profitable to conduct it, with a view to its preservation, and to its utility to the genuine interests of the country: that all the speculations of rendering it more productive, are founded in misapprehension of its prin-

ciples, as well as of the manner in which it is carried on: and that the evils ascribed to the mode of managing it, are imputable to the organism of the trade itself. In the proportion that I shall have succeeded in my design, I shall have furnished an answer to the objections, which I wish not unnecessarily to combat, that are imagined to spring out of the particular constitution of the East India Company. The object is large enough in itself, without encumbering it with superfluous matter.

There are, however, one or two exceptions, somewhat incompatible in their tendency, that are urged with so peculiar a pertinacity against the Company, that I may be excused in glancing at them. The first presumes the incompetency of the Company, from the instruments employed by them, or their neglect, from nearer and preferable considerations, of the objects of commerce, to improve its interests, so far as they may be carried. The latter infers, with an opposite aspect, that the prodigal waste of the Company's Asiatic establishments, swallows up the enormous profits of a trade, already large and luxuriant, and however it might be extended. In laying the ground of these strange and seemingly contradictory objections, it is stated, in substance, that the servants of the East India Company, as their masters, are alike intent on forwarding the ends of sovereignty, at the expence of commerce: that the aim and interests of all parties, no matter what the direction and destination of their service, whether military or civil, political or commercial, is to extend the local limits of the state, at all and every hazard. It is from the increase of territory alone, as the objection assumes, that the views of all can be fulfilled.



But whatever policy may influence the Company in giving a preference to one, rather than the other object, equally within the benefit and protection of the Charter, remains to be explained by the favourers of the objection; but it is plain, from the whole bearing of the Company's history, that it is not bottomed in any consideration of interest. For whatever pecuniary advantage has at any time been derived from the British Indian possessions, has invariably flowed through the channel and immediate agency of trade, while the territory has been indebted, and largely, with the prospect, however, of eventual payment, to the simple sources and operations of commerce. So that if interest had any thing to do with the supposed bias of the Company, it would have given it a determination the other way.

The mistake of the influence of territorial acquisitions on the whole body of the servants of the Company, is more egregious even than the error immediately noticed. There might be some reason in the supposition, that the military and revenue officers of the Company, with their respective and comprehensive suites, might possibly be influenced by considerations of territorial aggrandizement; for they have a discernible interest, which is meant not to be denied, in the extension of the dominions of the East India Company. But it would not be easy to trace any affinity in the views of those classes with the servants of a commercial description. The latter draw their entire emoluments from the province of trade, and, according to the commercial policy of the Company, these emoluments depend on the success of the object under their particular management; their services being required by a per-

centage proportioned to their extent. There are, besides, high offices and posts of confidence and honour, exclusively allotted to the servants of the commercial department, who, when once devoted to this separate branch, are fixed and immutable in their position. So that direct advantage, future advancement, with imperative and prescribed duty, have all and each a sway in determining the exertion of individuals, and in keeping them in the course in which they are required. Is it probable, then, that the commercial servants of the Company will be diverted from their more immediate interests, influencing, as they are every where found to influence, human action and conduct; and, neglecting their nearer and lawful advantages, be active alone in seeking the supposed good of their employers in a foreign track, and by unbidden ways?

Of the alleged expensive establishments in India, I shall forbear to say much. These, were they even more splendid and costly than they are, are of concern only to the East India Company; unless, by a different dispensation of things than at present exists, they should become burthensome to the country. It may be a matter of prudence for itself to consider, whether these are fixed on too munificent a scale, either as regards their use, or the expenditure they occasion, mingling with the consideration of cost, the magnitude of the affairs to which these establishments relate—the internal means of management which they afford—and the policy which enjoins that they should be conducted on an adequate and liberal principle. If these establishments shall be held by some to go beyond their object, or to exceed what is necessary or prudent, in point of expence,

having relation to the Company's profit, purely, they will reflect, that what is lost to the Company is not, consequently, lost to the state; but that which passes not, out of an excess of liberality, into the Company's treasury, goes into the pockets of its servants, and in that way ministers, in as certain a channel, to the accumulate wealth of the mother country.

The opposers of the Company's Charter, who can and will see nothing advantageous in its constitution, would seem to err in this as in every other instance. They who have nothing before their eyes, and in their wishes, but the gains and profits of trade, as resulative from our Eastern possessions, may naturally wish to square their arrangements, by the same narrow notions and passions that exorb their thoughts, and engross their hearts. But men, who are bound to look beyond themselves, will descry, perhaps, even in these reviled establishments, more real national advantage, than could possibly have been produced by all the energies of commerce, however successfully applied.

A mere view of the numbers of those comprehended in the different establishments of the Company, will give a tolerable idea of their relative importance and consequence above the ordinary fruit of trade. The latter is a single, and not always a cultivated object, in the numerous states that have come under the dominion of the Company, and has formed, from the nature of the people, and their constitution, both formerly and now, but a small part of the wealth of the respective states; while the issues from the territory, in revenue and produce, constitute the main riches, and supply the most material employment, and serve the most lucrative

ends to the government presiding over them. Now the whole amount of the revenue, direct or indirect, is collected, converted, and consolidated into money, by the hands of the European servants of the Company. The protection and defence of the countries themselves, yielding this mixed and incalculable amount, are at the Company's entire management ; and every one of the departments of state, in a civil as well as military relation, too numerous to be particularized, is filled by officers of the Company's appointment. All the functionaries of these different descriptions are provided for, in the singular scheme of our Eastern government, out of the rents of the territorial acquisitions : the collection and the wide application of these, which naturally would have formed occupations for, and afforded the means of enriching many thousands of the native subjects of such countries, are politically appropriated, as so many separate fields for the promotion of the fortunes of our own countrymen. From these abundant and fruitful sources, above 3000 European officers of a military description, and some hundreds of civil servants, are directly and constantly maintained, and from the liberal scale of their stipends and emoluments, are enabled to lay the foundation of successive and accumulative fortunes ; to be communicated to the wealth, and spent within the body of the mother country. In this way, a large proportion of her own industrious and enterprising progeny finds the means of subsistence and advancement, from other provisions than her own ; and instead of subtracting any thing from the public stock, is, by a felicitous arrangement, rendered serviceable to the increase of the common fund. Hence, wealth is perpetually rolling into

the parent state from our Indian possessions ; supplying the natural waste ; increasing the general store ; and affording, in so much new capital, the germ of further increase. Thus is India to be considered in the most valuable and precious relation to Great Britain,\* and so has she ever been contemplated by the eye of the statesman and politician.

I would not, however, be supposed as desirous of throwing any disparagement on the value of our Eastern commerce, though I assign not to it the first place among the benefits derived from the existing Indian system. I do not lose sight of the annual millions, which it is the easy mean of raising, toward the support of the burthen of the state ; but this circumstance does not render me blind to the manner in which that mean is aided, through the private channels of individual acquisitions in the East ; and in the very act of bringing them to our shores, as well as the ulterior services which they effect, when absolutely arrived there, in their reproductive quality, to the interests of the country. Each of these advantages would be admirable enough in itself, if it had no rival benefit opposed to it ; but they together form, like the mixed system, out of which they spring, the most stupendous work of human policy, approved by the experience of ages, adapting itself to intervenient circumstances, and improving in its course to perfection, by yielding to the discovered exigencies of the season and the system.

\* This is happily enforced in the Letter of the Right Hon. Henry Dundas, of the 24<sup>th</sup> April, 1800 ; page 3 of the Supplement to the 4th Report.

If I have spoken of the simple motion of this vast machine, in external application chiefly, it is from a supposition, that its uses and properties at home must be self-evident, and obvious to the least inquisitive and observant mind. Negligent and careless as men may actually or impliedly be, in all that relates to India and her affairs, it will be impossible for them to shut their eyes to one of the incidents arising out of the Indian system, as discoverable at our homes, in the tens of thousands of the British population, to whom it presents a constant and never varying support.\*

He who would throw so wonderful a piece of mechanism out of order, without well considering the effect upon the machine itself, and on the ends which it is designed to fulfil, as well as on the powers to be substituted to bring about the same or meliorated purposes, would be guilty of a rashness, which could not be defended by any present policy, or justified by subsequent success. That the existing system may have its defects, is not intended to be disputed. Let these be pointed out, and the requisite amendments made: but let us not begin by destruction, by condemning the whole arrangement, because it is not perfect, (what human institution is?) in all its parts.

It may be thought, (and some profound politicians have been of that opinion,) that the Indian system does not sufficiently provide, or does not constantly insure, from the applicability, or necessity of applying the Company's capital to the exigencies of the territory as well

\* These are stated in round numbers at 30,000 persons. Page 144 of the Papers respecting the Negotiation.

as trade, so many imports from India,\* as its resources may conveniently or ordinarily spare. Though the present circumstances of European commerce render this no very deplorable evil; yet other seasons may ensue, which may cause it to be viewed in such a light. - It would not be prudent, or safe, perhaps, to deny, in the face of such authorities, that temporary inconveniences have happened, from this alleged defect in the existing Indian system, and that it may be wise to prevent, by a precautionary policy, in a new provision in the coming Charter, the possible recurrence of them in the time to come. But deferring, as I am bound to defer, to the wisdom and experience of these statesmen, I should be still indisposed to carry reformation beyond the single evil stated, or any remedial measure beyond the strict letter of their prescription. If it be necessary at certain, or at all seasons, to permit a competition with the East-India Company, in bringing the produce and manufactures of India to our ports, and by other carriage than the Company's regular and chartered ships, both the parties and means of supplying what is supposed to be imperfect in the system, will be found in European covenanted and licensed residents in India, and the local shipping, for answering the particular policy of these statesmen,\* without endangering our foreign interests

\* The reader is referred for more particular information on this branch of the subject, to the Letters of the Right Hon. Henry Dundas, of the 2d April, 1800, and 21st March, 1801. And of the Marquis Wellesley of the 30th September, 1800, at pages 3, and 29, and at page 31, of the Appendix to the Supplement to the 4th Report of the House of Commons.

by the introduction of new persons, with new relations, and with opposite and opposing views. If the will of parliament shall be in unison with the advice and counsel of the cautious and practical politicians, to whom I allude, it may not be a work of any great difficulty or change, or of any material interference with settled principles, to make the requisite alterations in the system; a few regulations, to be concerted between the Board of Trade and the Company's government abroad, being all that would seem necessary for so limited a purpose. The state, however, of European commerce, at this moment, is not exactly suited for the introduction even of this moderate change.

If I am slow to touch a system, and with a trembling hand, which has produced, and is still producing so much national good, I may be understood to discountenance and deprecate with the whole of my humble efforts, that wild and indiscriminate spirit of reformation, that has been avowed by the mercantile community, and which has been spread, through their influence and cries, so widely and diffusedly among the people, till it appears to have embodied and ranged them, in a temporary delusion, under one and the same banner. Destruction is the watch-word, and the maddening multitude await only the command, to prostrate with the eastern possessions, the Company's very warehouses with the dust. Is there no warning voice to sway them from a purpose, as unjust as it is unnatural? Is there no tongue persuasive enough to gain a moment's respite—a pause for speech—to win the deluded crowd from its error, or to plead the humble merits of the Company, in extenuation of its dazzling faults? The most modest and timid advocate may, surely,



lay claim for the Company to the virtue of having founded and established our eastern trade and Asiatic possessions, (such, such as they are !) and of having rendered them, in a sparing measure, perhaps, useful and advantageous to the mother country ! If the Company's ministry has not been so wise to its own interests, or so profitable, as it might have been, to the State, let us hear, at least, before we give it up for lost, how many and what have been its mighty errors, and how they are intended to be amended by those, who would jump into its place ! Let us hear, how our manufacturing and commercial politicians would cultivate the commerce, and improve the system of Indian Government, before they be snatched at once, and beyond redemption, from the possession in which they are, and put, for experiment sake, into bold and untried hands. They may condescend, perhaps, to tell us, if the boon be not unreasonable, how and when they themselves expect success from the plans which they have in perfection or conception, or, if they are not yet conceived, what they possibly may be expected to form in the course and progress of the experiment ; so that if we be satisfied not with the prospect of their present views, we may not be without hope of their future policy for the management of those great interests, with which, they diffidently seek to be indulged ; and at so great and imminent a risk, and, as respects the Company, and the Country, at so immediate and inevitable a loss, that nothing but the most important and certain prospective advantages could allow us even to look upon !

The present benefit of our Indian trade and possessions is of too solid and too interesting a character to

be renounced, on the demand of misguided speculatists, or ill-advised claimants, who know not what they would seek, nor comprehend what they ask.

I will not detain you by a recapitulation of facts, and arguments, that have presented themselves progressively to my own mind, and which I have endeavoured to impress on your's, in hope of shewing the nature, the importance, and the capacity of our commerce, in conjunction and relation with our Indian territory—the advantages that they produce together, and the limit beyond which they cannot pass. If these satisfy us not with their present good, they may, if properly weighed, and thoroughly understood, protect us from future evil, in dissuading the legislature from sanctioning an innovation that must injure and cannot serve.

The fairest portion of Asia is now in our complete tenure, with its immense revenues and entire trade, and both are made to contribute, to the extent of their several means, through the instrumentality of the East India Company, to the necessities and exigencies of Britain; when it is proposed, in an extravagant and ill-considered scheme, to dissolve an union of interests, that are beneficially knit together, and which, in constant alternation, in their blended form, have reciprocated the most essential services to one another, for the purpose of trying whether they can exist apart. Needs there any one to counsel against the folly of the attempt to divide interests, which, if not united by nature, have become so rivetted by time, by habit, and by circumstance, that if they should survive the act of separation, it is not probable that they can long exist in a single and independent state?

The immediate effects of such an experiment on the

existing system of Asiatic Government, on India, and its people—as well as on the revenues, and, possibly, on the constitution of the mother country, are too significant to be overlooked, and too fearful to be dissembled.

It would seem as impossible to disjoin a free and open trade, with the necessary influx of British property, and British subjects, from the colonization of India; as to sever the idea of colonization, from the independence of the Indian territory, with all the alarming consequences in its train.\* Equally impracticable would it be, in contemplating the effects of the meditated change at home, to distinguish between the destruction of the Company's trade, and the diminution of the national resources, in an enormous loss of revenue, and an in-

\* The report of the Special Committee, so often alluded to, is full, comprehensive, and authoritative, on this head. After stating that the Company's extensive civil and military establishments have attracted multitudes, not in the service, to repair to their settlements; the report thus proceeds to describe the general effects of an open trade;

“New enlargements of the intercourse, it is obvious, would exceedingly augment their number; the vast capital and shipping of this country, with the natural relations subsisting between it and India, all peculiar to itself, would at once pour in tides of men and money there: the sanction of any public acts at home, would, of course, dispose the governments abroad to afford the commercial encouragements there, which would correspond with the spirit of enlargement adopted here: the public opinion of a great European society, formed in this spirit, would have an influence on the sentiments of those governments; through the medium of natives, also, lands might be extensively occupied by Europeans; and the *genius* of this system, without any formed plan, would gradually and insensibly antiquate the present one, and become impatient for all the rights of British colonists; to give or to refuse which, would then be a most morientous question.” Page 13—See also page 21.\*

tolerable addition to its charge. These results are not less luminously than satisfactorily stated, by the Executive of the East India Company, and deduced from so many, such notorious, and such incontrovertible facts, detailed in the correspondence with the Board of Controul, that it would be supererogation to reiterate the proofs on which they rest, or the arguments to which they lead.\* These results are fully developed to the public eye, and exposed, in official statements, already on the table of the House of Commons. If they prevail not in making proselytes of the people from an erroneous and obstinate opinion, they cannot fail, from the force of conviction on sound and well-informed minds, to engage their representatives in a mediation between the people's prejudices and their true interests; to the prevention of an evil, as dangerous to the state, as it would be ruinous to an useful and valuable body of men.

\* A free trade to and from India, and to unlimited ports; would be subversive of the benefits derived by the Company from the China trade, to the amount of one million annually; destructive of the revenue arising from the importation of tea, to the annual extent of nearly four millions sterling; productive of increase in the number, influence, and expence of revenue officers, with a proportionable decrease in the exports of woollens and metals from Great Britain, and a consequent irremediable loss to the breeding, clothing, and mining countries. These would be the immediate effects of an open trade, with numberless remote evil consequences, which are too plainly described, and clearly deduced from facts, incapable of refutation, detailed in the letter of the deputation of the Court of Directors to the Right Honourable the Earl of Buckinghamshire, of the 29th of April, 1812. Vid. Page 138 of the *Papers* respecting the *Negotiation*.

THE END.



THE  
PRELIMINARY DEBATE  
AT THE  
EAST-INDIA HOUSE,  
*On Tuesday, the 5th January, 1813,*  
ON THE  
NEGOCIATION WITH HIS MAJESTY'S MINISTERS  
RELATIVE TO A  
***RENEWAL OF THE CHARTER;***  
WITH  
AN APPENDIX  
CONTAINING ALL THE LETTERS AND DOCUMENTS  
REFERRED TO UPON THE SUBJECT.

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BY AN IMPARTIAL REPORTER.

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LONDON:  
Printed for BLACK, PARRY, and CO. Leadenhall Street.

1813.

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**Printed by Cox and Baylis, Great Queen Street,  
Lincoln's-Inn-Fields.**

## ADVERTISEMENT.

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*The subject of the following Debate is of so important a nature, involving the existence of the East-India Company with the prosperity of this Country, that the Reporter feels it an incumbent duty to present it to the Public. He is aware of the interest it must necessarily excite in the breasts of men devoted to the honour, the justice, and the happiness of Great Britain, and he has endeavoured to preserve the sentiments of the several speakers as faithfully, as the hasty sketches of the pen, and the recorded recollections of memory, will allow; and he pledges himself to report the ensuing Debate, which is expected to be the most animating, as it certainly will be the most momentous, with accurate fidelity, having engaged the most eminent short-hand writers expressly for that purpose.*





## PRELIMINARY DEBATE,

&c. &c.

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A General Court of PROPRIETORS was held at the East India House on Tuesday, January the 5th, 1813, for the purpose of taking into consideration the several communications and documents relative to the late negotiation between his *Majesty's Ministers* and the *Committee of Correspondence*, respecting a RENEWAL OF THE EAST INDIA COMPANY'S CHARTER.

The Chair was taken by Sir HUGH INGLIS at twelve o'clock; when, the minutes of the last Court having been read as usual, he stated to a large, opulent, and respectable assembly, that the Court of Proprietors had been called, in order that he might submit to their consideration the communications of His Majesty's Government to the Directors, on a most important subject—*the Renewal of the Company's Charter*. From the papers to be laid before them he was sorry to

observe, that the result of those communications was most unfavourable to the views and to the interests of the Company.—The last communication on the subject was contained in a letter from Lord Buckinghamshire; but received the night before, at so very late an hour, it was impossible for him to communicate with others, or indeed to bestow upon it himself all the consideration its importance required. He did not, of course, find himself at liberty to express the sentiments and feelings of the Court of Directors; but, for his own part, he could have no hesitation to confess, that this last letter had made on his mind a most serious and fearful impression.

The first paper laid upon the table contained the minutes of the Secret Committee of Correspondence (No. I. in the Appendix), dated November the 27th, 1812, wherein it was reported to the Committee, that the Chairman and Deputy Chairman had held a conference, that very morning, with the President of the Board of Commissioners, on the subject of renewing the Company's Charter, at which his Lordship (Lord Buckinghamshire) declared it to be the intention of His Majesty's Government, not to abandon the proposition of allowing a direct trade between India and the outports of the United

Kingdom, subject to modifications and restrictions—requesting a conference on the subject with Lord Liverpool and himself. The paper proceeds to state, that after communicating with the Committee of Correspondence,

A letter from the Chairman and Deputy Chairman (No. II. Appendix), dated November 28, 1812, was dispatched to Lord Buckinghamshire, acquainting him, that the Committee received the communication with the deepest concern; that such a measure, even in a most limited and restricted degree, would be highly prejudicial to the public revenue, injurious to the East-India Company, and detrimental to the prosperity of the merchants, manufacturers, traders, and other numerous bodies interested with the commerce of India.

Lord Buckinghamshire's next letter was then read (No. III. Appendix), dated November 28, 1812, requesting that Lord Liverpool, and other members of the Board of Commissioners, might be present at the conference with the Chairman and Deputy Chairman.

The next document (No. IV.) was a minute of the Secret Court of Directors, held on the 2d day of December, 1812, stating that an unreserved conference had been held between His Majesty's Ministers and the Committee of Cor-

responddence, wherein it was agreed no minutes should be taken,

The next minute (No. V. Appendix) was of a Secret Committee, held on the 15th day of December, merely stating, two conferences had been held between His Majesty's Ministers and the Committee, *viz.* on the 5th and 12th of December, 1812; but no communication to the Court appeared necessary.

It appeared from the minute (No. VI. Appendix), that the Court, adverting to a statement made, with their approbation, to a General Court, respecting the late conferences on the subject of renewing the Charter, the Court deemed it proper His Majesty's Ministers should be apprized the Court were of opinion, unanimously and decidedly, that the admission of the imports from India to the outports of the United Kingdom would be ruinous and pernicious in its consequences.

A report was then read (No. VII. Appendix) from a Committee of the whole Court, dated December 18th, 1812, stating that the proposition was pregnant with ruin to the Company, rendering them incapable of performing the functions allotted to them, either commercially or politically.

Another document (No. VIII. Appendix) stated this resolution had been communicated to the President of the Board of Commissioners.

Then followed the letters (No. IX. and X. Appendix): after which the Chairman ordered the last letter of Lord Buckinghamshire, before referred to, and received the previous night, to be read (No. XI. Appendix). This letter was dated January the 4th, 1813, stating, that, however His Majesty's Ministers might wish to be frank and explicit on the subject of a Renewal of the Charter, they could not engage in the controversy as a party, to which the objections of the committee would ultimately lead:—conceived His Majesty's Ministers had discharged their duty, by expressing the terms on which they thought it expedient a renewal of the Company's Charter should be recommended to Parliament:—that His Majesty's Ministers had had personal communications with others, who thought themselves interested in the general question; and were not called upon to give an answer, in detail, to the objections of the Company:—that petitions had been presented to Parliament for opening the trade:—in respect to points of regulation, every thing submitted to Parliament would have for its basis *the extension of the import trade*:—he was not aware that any alteration in the go-

vernment of India was intended:—how far the extension might endanger the trade and safety of the British government in India, and the British constitution at home, must be submitted to the wisdom of Parliament:—if the government could not be carried on without the Company, then the Company must remain in its present state; there was no alternative:—no alteration, however, in the government was intended, and all traders would be subject to local regulations.

The *Chairman* rose, and observed that the manner and the importance of the letter now before them, suggested the propriety of its being read a second time. (*Applauses.*)

He proceeded to inform them, that all the papers would be printed and delivered the next day.—He then said——

“ I am happy to declare, that the Court of Directors is ever ready and anxious to give every information in their power to the Court of Proprietors. That which is their duty and their desire at all times, becomes incalculably so, at so momentous a crisis as the present, when the interests and very vitality of the Company are at stake.—It would be highly desirable that the opinions and feelings of the Proprietors should be known and diffused, as quickly and as widely as possible;

but I am sure that, in the present instance, they will act as they always have done, with a deliberate reflection : they will not rush into a hasty decision, without a cautious and severe investigation. It is my recommendation, that the question should be calmly and dispassionately considered in your closets. It will neither be expedient nor wise to form a judgment on the impulse of the moment. Not that I or the Directors would dissuade or prevent immediate discussion : we wish to know the spontaneous sentiments of every Proprietor —we do not deprecate discussion, we anxiously desire it ; but we wish to defer decision. Numerous and respectable as the Court now is, there are many not present, of unquestionable talent and interest, whose opinions it were most desirable to be acquainted with, whose arguments it would be gratifying to hear, and who would naturally wish to have an opportunity of expressing their feelings:—it would not be doing them justice, if the question were to be finally determined, without affording them time to reflect deeply, and explain themselves fully, upon the subject.—Dispassionate inquiry, calm deliberation, comprehensive reflection, were to be recommended, at a crisis so anxious and so awful. —The Directors, as a body, have had no time to communicate, no opportunity to form an opi-



nion, and of course no opportunity to offer one, on the subject of this last letter : but the Proprietors can be at no loss to guess what their feelings are.—I will not take upon myself to speak for them ; I do not explain their opinion.—The Directors have had no time for meeting to discuss particulars and to consolidate their judgments, in the interval of late last night and eleven o'clock to day ; but I, for myself, declare, that I see nothing in Lord Buckinghamshire's last letter, that should persuade us to depart from our former sentiments and resolutions.—We would have met earlier, at any hour whatever, had it been possible to have summoned a meeting ; but we have not been able to see each other till our attendance at this Court was required. We shall be glad to hear the sentiments of any Proprietor disposed to indulge us with them now ; and to collect what your opinions are, on the subject of an ultimate discussion."

*Mr. Rigby* admitted the necessity of calm and deliberate reflection ; but if the moment was awful, and the crisis a fearful one, they were calculated to call forth all the impulse of present feeling, and all the energies of nature.—He applauded the attention, the perseverance, and the talent of the Directors on a trying occasion. The manly and discreet part they

had taken deserved not merely their warmest support but their thanks by acclamation. They must all feel the deepest regret at the unfortunate issue of the negotiation: and many would participate with him in feelings of a still stronger nature, on the perusal of Lord Buckinghamshire's most extraordinary letter. His Lordship truly did not condescend to give them any information, but referred them to the petitions on the table of the House of Commons. He was astonished, and full of alarm and indignation, to find any Minister in this country daring enough to make such a declaration, and in a certain degree to upbraid the Company for assuming the patronage of India. The greatest men this country has lately known, Mr. Pitt, and the late Lord Melville, had held and avowed the opinion, that an Administration seizing upon the patronage of India, would infallibly destroy the constitution of this country. Taking a broad and steady view of the whole correspondence, he saw no prospect afforded, no argument adduced, that could persuade any rational mind to wish any change, any deviation of policy, in respect of India: nor, from the face of the documents, did it appear, that the Directors had given even the shadow of occasion

for drawing down upon them such contempt and treatment as they had received from Government.

*Mr. R. Thornton* (the Deputy Chairman) observed, that his opinions stood upon record: they were unequivocally given, they were universally known; still, on such a momentous occasion, he could not satisfy himself, he should not do his duty if he did not express his present feelings.—The trust committed to his hands was an awful one: it was his determined intention to exercise the functions of office faithfully and intrepidly. He had received the acquiescence and support of the Company in all the negotiations with His Majesty's Government; and while he received such approbation, he would neither betray their interests nor dishonor himself. (*Applauses.*)—Much management and considerable ingenuity had, for several years past, been misapplied, in seducing the opinions and agitating the interests of men. False expectations had been raised, and visionary passions tampered with, in order to induce Petitions to the House of Commons. Air-blown bubbles in all their gaudy colourings, specious as they were empty, were flying in every direction, to astonish the ignorant and allure the unwary.—Terms to which opprobrium had long been applied by custom, had been wrested from their proper meaning, in order to stamp an odium on

what was technically, legally, and justly called, the "well regulated Monopoly" of the East India Company—and all for what? to acquire an extension of trade for individuals, which must inevitably terminate in their final destruction; the gay and splendid scenery would soon fade away, and all their speculations would become as light, as the bubbles of imagination which so fatally deluded them. What was this universal panacea, by which this general commerce was to be established?—why, the destruction of the only commerce in the world which remains entire and unshaken:—the destruction of that commerce, which while all other Trading had fallen to pieces, Bonaparte eagerly coveted, as the dearest jewel of his crown: that commerce, which has been the envy of our enemies, the pride of our country, the admiration of mankind. What did this enemy say? "I want ships, colonies, and commerce." The ships, the colonies, and commerce of this Company he is hovering over; hovering over, ready to devour. Well, if the trade is to be opened, our ships will be transformed into revenue cutters. We might keep our colonies, perhaps, but colonization would destroy our territory. As to commerce, legitimate, honorable commerce, it would sink into illicit trade. Our merchants, such of

them who are now dazzled with the gold and silver of India and China, would return to the iron of Birmingham and Sheffield.

The propositions of Government were too irrational to be lasting ; as the cause of the Company was just, it required them only to be firm, in order to be successful.

And what is the time when this great commercial revolution is proposed? the time when a bright star of hope had illumined the northern hemisphere, the promised and welcome harbinger of general peace.—If such a peace could be produced on safe and honorable terms ; if the usual habits of commerce should again return to us ; when the deliverance of Europe is effected, when the loud and general congratulations of joy are rapturously exchanging—how would the East India Company appear, how would they congratulate each other?—in the lamentation, that while commerce is raising her head and smiling all around her, her merchants are despoiled and ruined, her hopes set for ever, her interests wantonly sacrificed to the wild schemes of visionary experiment. It would be much better for them at once to wind up their concerns, to give up all thoughts of India, and seek for other pursuits, than linger on a few years in gradual decay, and then sink into nothing.—He hoped

they would now act, so that, on future reflection, they should not accuse themselves of deserting or neglecting their duty.

*The Rev. Mr. Thirlwall* acceded to the importance and magnitude of the question. He allowed that the great object, the uniting indissolubly the government and the trade of India, were matters of the first consideration; but there were others too, which though of minor importance, might judiciously be added to the weight already in the scale of this great question:—he meant the innumerable families which would be thrown into instant ruin in the immediate circle of the metropolis; the industry that would be palsied, the charities that would be frozen up, the entire depopulation of various parishes, which must inevitably sink in the same ruin with the East-India Company.—If the government and territory were reserved to them, the trade would be divided and dispersed, far from the homes and reach of those whose whole dependance will be divided and dispersed with it:—he called therefore on the justice and humanity of His Majesty's Government, not to press a wanton experiment of certain distress for uncertain advantage:—a distress incalculable in its misery; an advantage, even in its utmost success, trifling and worthless:—he trusted, therefore, that Government would give

up the measure, before the Company should be compelled to come to a final decision.

*Mr. Kennard Smith* could not withhold his testimony of praise to the wise and able conduct of the Directors during the negotiation with His Majesty's Minsters ; and he trusted that many other persons present would express their feelings and their sentiments, in order to enable the Chairman to decide upon the answer which ought to be returned to Lord Buckinghamshire's letter.— If they looked back to the charter of James the First, about two centuries ago, they would find the grant was *for ever*, unless it should be found prejudicial to these realms. Is it so found? if not, there can be no reason why any of its provisions and privileges should be taken away. Let it be *proved* to be prejudicial ;—that would be perhaps a fair ground for opening its trade or abolishing it altogether ;—but *prove* it first, and do not let assertion and power usurp the place of argument and justice.—He was well aware it could not be proved ; but he was not convinced that opening the trade would not be prejudicial to these realms. His conviction was to the contrary. From his practical knowledge he felt the most decided assurance that the measure was fraught with destruction, not to the Company only, but to those speculators who

were now revelling in imagination on the spoils of the East. If the trade should be opened to the outports, it would be much better for the Company to resign its charter, to sell its territory and possessions, its buildings and its stores, and every individual of it retire to the occupations of private life. The China trade alone, could not support the expences of the Charter. His Majesty's Ministers could not have seriously reflected on the number of seamen supplied to the navy by East-India shipping.—He adverted to the time of Queen Elizabeth, when not more than six ships sailed to India; and to their present number, a number which supplies an average of 7400 seamen for the navy, exclusive of Lascars. He conceived they had an unquestionable claim on government for the value of their freehold in India, which they enjoyed by a right as firm and unshaken as any freehold which could be held in this country.

*Mr. R. Grant* rose and said :

Mr. Chairman,—Encouraged by the invitation which you have held out to the individual proprietors, to take a part in this discussion, I venture to offer myself, not with any purpose of entering into a detailed consideration of the particular measure respecting the outports, which has been the immediate occasion of calling us together, for that subject will better be discussed



on a future day: but in order to express my surprise at the singular letter with which we have been favoured by one of His Majesty's Ministers; a letter, in which they are pleased explicitly to inform us, that they have every disposition to honor us with a free and unreserved communication of their *sentiments*, but are not at all disposed to communicate their *arguments*. The question, Sir, to which we are reduced by this letter, is indeed one of the utmost seriousness and importance. It is no other than this: whether the Company shall throw themselves on the justice of parliament and of the nation, in a contest with His Majesty's executive government; or whether all the political interests of India, and of England, as connected with India, shall be made the subject of a commercial experiment?

Surprised as I am with the tone of the Minister's letter, I profess myself still more astonished at the matter. We are there told that, unless we accede to the measure proposed, it will be open to the consideration and decision of parliament, whether the political interests involved in the government of India, cannot be effectually provided for under some other system of administration than the present. Open to the consideration and decision of parliament! I thought, Sir, that parliament had considered and decided

the question long ago. I have always of late understood it to be the general opinion of the government, the parliament, and the nation, that the system of the Company was in every view the most eligible organ for the management of the great and complicated interests in question. But I suppose this annunciation of Ministers to be a sort of commentary on a sentiment in the former letter of Lord Buckinghamshire; where he states that, although it be *expedient* to leave the government of India in the hands of the Company, yet there is a *limit* to that expediency. Now, Sir, as I have ever understood that the expediency of the system in the contemplation of Ministers respected the people of India at least as much as the nation at home, I can translate the proposition of Lord Buckinghamshire only into this, that there is a limit to the expediency of governing well:—there is a limit to the care and attention which we are bound to bestow on the security and welfare of the immense population confided to our management. And what, Sir, is that limit? The commercial convenience of the outports.—True, we are under the most solemn obligation to conduct with vigilance and fidelity the administration of that vast empire: but, imperative, sacred, and indispensable as this obligation is,

we shall be too strict, too zealous in our construction of it, if, in the prosecution of our object, we compel a vessel which has cleared outwards from Bristol, to discharge her homeward cargo in the Thames. Thus do ministers weigh the ledger-books of the outports against the great charter of the rights and happiness of fifty millions of men!

Disclaiming, Sir, as I have once already done, any discussion at the present moment respecting the admittance of the outports into the import-trade of India, I will yet just ask, whether, considering this, not as an individual and insulated measure, but in connexion with past events, the Company have no solid ground of objection against it? Have the Company no ground of objection against it, as being one further step in that series of progressive encroachments, which have for some years been taking place on their privileges? Have they no right, without reference to this specific development of the general principle, to resist it on the ground that, if they do not make a stand somewhere, they will lose all? There was a period, when the Company were compelled to contend with Government for all their privileges, commercial and political. That attack on them failed; and it almost seems as if Ministers had converted the siege into a

blockade. First, we were obliged to provide a quantity of extra-tonnage for the individuals :— then, the trade was to be thrown open to private ships :— then, the outports were to be admitted into the export-trade :—now the outports are to be admitted into the import-trade. And I beg leave to observe, that I mention these, not as encroachments on our commercial privileges, though even in that view they might well bear remark ; but as encroachments on the resources of the Company, and as therefore more and more trenching on that fund, on which the Company must rely for the due discharge of their political duties. If we are to judge, according to the rule of all worldly wisdom, from the past to the future, is it possible to doubt what will be the next step ? According to the present intention, the free traders are to conduct their concerns, subject to the regulations of the local governments of India, and they are to be completely debarred from the trade of China. Can there be a doubt that their next attack will be on these obstacles ? To do them justice, they make no secret of their wishes. And the imprescriptible right of Britons to a free trade, commercial liberty, the right of loco-motion, all those topics on which the advocates of the private traders are apt to dilate, somewhat more extravagantly

than wisely, will be exactly as good then as at the present hour.

I do not mean to insinuate that the Government,—and I would observe that, by that term, I do not mean this or that Government, but the National Government,—entertain a deliberate and systematic design of annihilating the Company. But it is in the nature of things. It is in the nature of power to be encroaching and aggressive. And if this train of consecutive aggressions is to continue, it is too easy to perceive what will be its termination. Left in possession of all our political functions, but stripped, one by one, of all the means and facilities which we possess for the exercise of those functions, we shall at length be compelled to resign every thing without a struggle, and shall then have the comfort of being told that it is a voluntary surrender. The edifice will be permitted to remain entire and untouched; no hostile hand ostensibly stretched out against it; no warlike engine threatening its walls; but, in the mean time, it is gradually undermined, and, when it collapses with a great ruin, it will be said to have fallen by its own weight. The familiar but lively and happy illustration employed by a great departed orator in parliament, may be applied to this subject;

we shall be checkmated with all our pieces on the board.—(*Applause.*)

I cannot help thinking, Sir, that, in the present crisis, it would be well to remind Ministers and the public, of the services which the Company have rendered both to this country and to India. On this head, indeed, the greatest misrepresentations prevail. That such services have, in fact, been rendered, not one of your antagonists ventures to deny; but it is not uncommonly insinuated in the publications which have appeared against you, that they were the result of accident, or that the merit of them exclusively belongs to the enlightened men whom you have chanced to employ. The Company, in the mean time, are charged with having no concern for the interests, either of their country or of their subjects, with being wholly absorbed in a selfish regard for their advantage,

If it be indeed true that the Company are occupied solely by an attachment to their own interests, I yet do not know that the advocates of free trade are exactly the persons the best authorised to reproach them with that failing, I am by no means persuaded, that the motives by which those gentlemen are actuated are of a much more exalted nature.—(*Applause.*)

Is it, however, the fact, that the Company have no claims on the gratitude either of their country or of their subjects? Let history answer that question. I regret—I do not palliate—the disorders which, in some instances, took place at the commencement of their government as a territorial power. Those were disorders, however, naturally incident to a recent acquisition of dominion, especially to an acquisition accompanied by the strongest individual temptations; and they were, as soon as possible, corrected by the Company at home. But, while these misdeeds, whatever they were, are, on every occasion, studiously trumpeted forth, the eminent services rendered by the Company, both to this country and to that, are completely overlooked, or are ascribed to any other cause than good intention. Why, Sir, when, about the time of the civil commotions in England, the Indo-British trade, from the effect of those troubles, was for near thirty years in hourly danger of annihilation;—when, at other periods, both anterior and subsequent, that trade was in hourly danger of extinction from the formidable malice of European rivals;—when it weathered those storms by exertions of fortitude and perseverance unparalleled in the commercial annals of the world;—do the Company, who conducted it, deserve no

credit for their management and public spirit? When the Indo-British settlements were, for twenty years together, engaged in an arduous struggle with the hostility of France, and that hostility directed by some of the ablest public functionaries, civil and military, that France has ever produced;—when they endured through that dreadful season;—when they not only endured through it, but, having entered it as a set of comparatively insignificant ports, emerged from it an empire;—do the counsels and conduct of the Company, who supplied the means of these achievements, deserve no praise for the result? Then,—as to the inhabitants of India, —when Lord Clive repaired to that country, for the second time, as a governor,—when he went out in the character, no longer of a soldier, but of a pacificator,—to check irregularities, to reform abuses, to consolidate the dominions acquired, and to secure the rights and welfare of the natives, did he undertake this important service by accident, or was he expressly delegated to it by the votes of a triumphant majority of this very court? When, afterwards, the same illustrious man,—and the incident deserves notice, as not wanting applicability to some parts of the present discussion,—sensible of the irregularities and atrocities committed by the free



traders up the country, and anxious to hush the groans of the suffering natives, chased the whole tribe of those oppressors to Calcutta ;—was this act purely the emanation of his own great mind, or do your records exhibit the precise instructions which he had received from the Company at home for the accomplishment of the reformation in question? I cannot help mentioning another illustrious and revered name, a name dear (I doubt not) to every individual present. When Lord Cornwallis adopted the measure of the perpetual settlement,—and though there still subsist some differences of opinion respecting the policy of that measure, there never were two opinions as to its magnanimity,—did he act by chance, or entirely from himself, or are not the express instructions of the Company on record, in which they enjoin on him the full application of his comprehensive judgment, with the view of ameliorating the condition of the natives in that very respect? All those laws and regulations, under the protection of which the natives repose,—which secure to them a pure administration of justice, a freedom from European competition in the purchase and management of land, a tranquil enjoyment of their property,—the Magna Charta, as they may be called, and Bill of Rights of the population of Hindostan,—did they spring

up spontaneously, did the servants of the Company call them from the ground by a stamp of the foot?—or are your voluminous records pregnant with evidence to shew, that the principles of all those improvements had been the previous subjects of your deep and anxious deliberation, of your minute and positive orders?

I have the firmest belief, Sir, in the capabilities of individual energy to effect mighty things. But, at the same time, it is plain that a public functionary can accomplish little, unless he is countenanced and supported by his principals. The great men to whom I have alluded, acted greatly; but whence did they acquire their first movement?—whence was derived the first impulse of their great actions? Why, Sir, from within these very walls which are now decorated with their effigies. You have a right to consecrate their dead renown; for you formed their living greatness\*.

The question then recurs, Sir; is all this system of establishments, the fruit of so much labour, achieved by so much solicitude, matured

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\* The wall of the room in which the Court of Proprietors meet has niches, in which are placed the statues of Lord Clive, Lord Cornwallis, Sir Eyre Coote, and other eminent men.

by time, justified by experience, to be made the sport of a commercial experiment? Grant all the commercial arguments of our opponents; but is it possible not to see that a commercial measure may lead to the most fatal political consequences? That such is the strong infallible tendency of the particular measure before us, is clearly proved in the correspondence of the Directors with the Government,—proved by arguments, to which the Government refuse an answer. It menaces the subversion of the constitution of India; and, permit me to add, by no very remote consequence, the subversion of that of England also.

It is curious to observe, Sir, how differently men estimate the evil of political changes in this country and in India. In England we have a constitution which is the work of ages, and the wonder of the world. For this constitution we glory in cherishing even a bigotted attachment, and if any innovator proposes for our adoption a measure which appears to touch its fundamental principles, we hear him no longer;—we cry, “away with your commercial calculations! we cannot afford such an experiment! *Nolumus leges Angliæ mutari!*” Thus we all act—and we act well. But what, meantime, is our conduct respecting India? There, also, is a con-

stitution, the slow creation of years ;—a constitution which has not, indeed, attained theoretical perfection,—perhaps not even all the practical perfection of which it is capable,—I am not competent to judge of that,—but of which I will yet be bold to say, that, considering the peculiar circumstances of the country ; considering the nature and political capacity of the natives ; considering the relations subsisting between the two countries, it is scarcely a less wonderful work, scarcely a less important achievement, than the British constitution itself. Yet when we object to an innovation proposed by Ministers, on the ground that it will probably affect the vitals of this constitution, they are pleased gravely to assure us that our apprehensions are *probably* unfounded ; and we are charged with a spirit of captiousness, contumacy, and war, because, in a case which is absolutely one of life and death to the natives of Hindostan, we refuse to be put off with contingent remedies and conjectural safeguards.

Amidst the provincial wit, Sir, which has, during the course of this controversy, been pointed against the Company, I have found it said, that all the reasonings of that body resolve themselves into an argument *ad misericordiam*,—an address to the compassion of the public.

One of these reasonings *ad misericordiam* you have heard from a gentleman below me (Mr. Thirlwall), and I would ask whether it contained nothing of an impressive nature,—nothing to touch the feelings of humanity? For my own part, without the hope and without the desire of rivalling the ingenious mirth to which I have alluded, I will say, not wittily but gravely, that were I to address the public on the present subject, mine *should* be an argument *ad misericordiam*. It *should* be an appeal to their compassionate feelings:—but to their compassionate feelings not in behalf of the Company, however likely to be ruined by adventurers; nor in behalf of adventurers, however likely to ruin themselves—Mine *should* be an appeal to the compassion of the people of England in favour of the people of India. I would earnestly remind them that a system in which the welfare and happiness of Hindostan, in a political point of view, are essentially bound up, a system admitted to have this character (for never let that be forgotten) on all hands, may, by the rage of commercial speculation, be utterly pulled to pieces in a few years. I would intreat that, in their anxiety to settle the discontents of a comparatively small number of persons at home, they would not run the risk of unsettling the content

and tranquillity of the immense population dependent on them in India. I would beseech them not to be more swayed by the din and tumult which pervades a small part of their own country, than by the profound and uncomplaining stillness which reigns throughout that vast continent. I would implore them to do by the people of India as they would do by themselves; and then I have not the smallest doubt of the result.

*Mr. Smith* (the Bank Director) was of opinion, that the most advisable proceeding in the present stage of the business would be, to adopt the sentiments of the Chairman, and adjourn to an early period.

The *Chairman* signifying his concurrence,

*Mr. Kennard Smith* moved, that thanks be given to the Court of Directors, for the firm, zealous, and vigilant conduct which they had hitherto evinced for the interests of the Proprietors, concluding with a resolution of adjournment to the 19th instant.

*Mr. Lewis* requested, that the Resolutions of the General Court of the 5th May last might be read. (No. XIV., Appendix.)

*Mr. Rigby* thought the document just read, of such importance as to require the most extensive circulation, and enquired whether, in the discussion with Ministers, they had been given to

understand, that a modification, with respect to exporting the produce of this country, would be admitted?—and was answered by

The *Chairman*, that the Charter of 1793 permitted an annual exportation of that sort, to the extent of 3000 tons, which extent had never been taken advantage of, the exports principally consisting of wines, which were not the manufacture of this country—at least he hoped not!—(*A laugh.*)

The motion of thanks and adjournment being seconded and put

*Mr. Hume*, in addressing the *Chairman*,<sup>1</sup> declared it was not his original intention to deliver any opinion on the present subject, but he was induced to depart from that resolution in consequence of the turn which the discussion had taken.—He objected to uniting a vote of thanks to the *Directors* with the resolution of adjournment—he had not entirely made up his mind whether they deserved praise or censure. From many observations which had been made, it appeared as if the question was not a relation to the outports being admitted to a share of the import trade; that question seemed to him to have been entirely departed from. The language of *Ministers* was this—you must concede whatever we think necessary, or your Charter will not be renewed. It had been stated in the *House of Commons*

by the late Mr. Perceval, that certain preliminaries had been agreed upon between the Government and the Company. The Court of Directors had called upon Ministers for their decided answer—an answer had been returned which he certainly could not disapprove. The true question is this,—will the Company consent to the trade being thrown open? in that case Government it is supposed, will not interfere in the interior administration of India. Ought the port of London, in this general state of commercial privation, to enjoy privileges which no other port possessed? The Company's right to a trade in India was founded on a statute of Parliament, by which the duration of the right was limited. On this point, the Ministers he thought had given the Directors a proper rub. Without concurring with all his positions, he admired the eloquence of the gentleman who spoke last (Mr. R. Grant), and hoped to be gratified with many more of his speeches. He was sensible that he himself had wandered from the subject (*hear, hear*), which was not much a matter of surprise, as it seemed generally to have been lost sight of—he was of opinion as the discussion was to be adjourned, so might the vote of thanks. (*Here were loud cries of Question, Question*), when the Chairman requested, that as much praise had been so handsomely bestowed on the Directors, it



*was but fair to hear what might be alleged against them; it was true policy to hear both sides of a question—when*

*Mr. Hume* resumed—by asking whether the trade to Bengal, Madras, and Bombay, had afforded sufficient means for paying their dividends? Was it proper, was it prudent then to quarrel with Ministers about a trade which he was prepared to prove had for the last fifteen years produced nothing or next to nothing? He was not prepared to say whether the Directors deserved praise or not; he wished for time to consider that point, and might perhaps at their next meeting, be equally disposed with any other gentleman to support a vote of thanks; and with respect to other points introduced into the present discussion, his opinion was, they should be reserved for the consideration of Parliament and the Ministers.

*Mr. Grant* (a Director) said he did not rise to contend for the vote of approbation that had been proposed. He had no wish (and he was sure the gentleman behind the bar had no wish) to carry the Proprietors, in this respect, further than their own spontaneous judgment should incline them to go. But though it had not been his intention, nor he believed the intention of the Directors in general, to offer any opinions to the Proprietors on that day, the speech of the

honourable gentleman who had just sat down (Mr. Hume), called for some observation. The honourable gentleman had assumed that the question before the Proprietors was, whether they should agree to the proposition of Ministers respecting the outports? Mr. Grant said there was no such question submitted to the Court. The Proprietors had been called together on that day, in order to be made acquainted with the further correspondence which had taken place between His Majesty's Ministers and the Court of Directors, and not to produce any immediate question on the matter of that correspondence, but that the Proprietors, after having had an opportunity of fully considering it, should determine on the time proper to be taken for the consideration of it; and the day on which they should meet again. The only question, in short, before the Court, was the motion recently made for approving the conduct of the Directors. But the honourable gentleman, following his erroneous assumption, had gone on to argue, as if the question respecting the outports were a detached insulated question that might be settled without affecting other great parts of the Indian system. He had supposed indeed, that the object really in dispute, between Government and the Company, was the *Indian Trade*. In both these assumptions the honou-

ble gentleman was mistaken. It was not the trade with India, as such, for which the Company chiefly contended. That trade it was admitted had been of late years no great object of profit. The Company resisted the importation of Indian commodities to the outports, because they apprehended, with great reason, that the consequence would be the smuggling of tea to a large extent, in violation of the Company's China monopoly. And the loss that would hence ensue, was not to be contemplated merely as commercial loss. The China trade was the source of the profit which enabled the Company to pay their dividend, and on the payment of the dividend depended the subsistence of the Company in a state fit for the performance of the high political functions assigned to them. The admission of the imports from India to the outports of England, therefore, involves the political existence of the Company as administrators of the Indian empire. If the honorable gentleman had perused the printed papers with the least attention, he would have found that this was the argument of the Company.

The honorable gentleman had also assumed, that the Directors had demanded a categorical answer from His Majesty's Ministers on the grand question. This was another mistake. They had only asked for the informations on which Ministers had been induced to declare in favour

of the outports, and for the whole detail of the plan which they had formed for the government of British India.

In asking for these things they had asked for nothing new. In the settlement of the Charter of 1793, the eminent men who conducted the national affairs at that time, communicated to the Court of Directors not only the details of their own plan, but the demands of British manufacturers and other persons hostile to the privileges of the Company, with the arguments used by those parties. This was what the Directors had now asked. They were told that the discussions between the merchants claiming the right of importing to the outports, and His Majesty's Ministers, were carried on *viva voce*; but it might be presumed, that some minutes of conversations so important might have been taken.

The honorable gentleman had thought fit to censure the Court for meddling with the topic of the British constitution, in their correspondence with the King's Ministers. This was a strange accusation. Was not every subject of this free country interested in the constitution, and entitled to contend for the care of it in all public measures? Were not the Company, and the whole nation, deeply concerned in maintaining

the Constitution in its vigour and purity? And the Directors, as acting for the Company, and as free men, having a stake in the country, were fully warranted to express their solicitude on the subject, when it was so evidently and greatly concerned.

Mr. Grant added, that before he sat down, he wished to say a word on the present state of the negotiation. His Majesty's Ministers had declared their wish to discuss, in the most full, free, and candid manner, all depending points. The Court of Directors had, on their part, amply stated their reasons for every position they advanced; but he must take leave to say, the Board of Commissioners had not answered those arguments—instead of returning arguments, they had given only decisions. But if any one thing was now essential, it was a clear and thorough understanding between the parties:—this was proper for the sake of the public, and due to the Proprietors of India stock, whose all was at stake. This was what the Directors all along aimed at; what they still wished; and following up the subject with a spirit of conciliation, it would be no fault of theirs, if the desired information were not obtained, and every thing satisfactorily adjusted at last. (*Applause*).

*Mr. Weyland* was desirous that the adjournment should be only for a week.—The question

turned on this point, whether the regulations proposed by Government would benefit the population of India and Great Britain?—The greater delay in their exertions, he considered the greater danger would accrue. In political controversy, prudence should sometimes take the precedence of generosity. On this principle, therefore, he should wish the last letter of Lord Buckinghamshire to be the last ministerial document on their table, as it was certainly the weakest—it was not the letter of a statesman—it was, when analyzed, absolute nonsense. He wished an adjournment for one week, and confidently trusted that they would zealously exert themselves, individually and collectively, to frustrate all invasion upon their chartered rights.

After various observations as to fixing the day of adjournment,

The *Chairman* stated, that although the Directors were desirous of meeting the wishes of the Proprietors in every respect, he considered, that as various meetings of ship owners, ship builders, merchants, and others deeply concerned in the present question, were to be held in the course of next week, the original day for adjournment would be the most convenient and advisable.—He informed the Proprietors, that Ministers had been applied to, for the reasons which had induced them to depart from those

rooted plans they had formerly adopted themselves. That great statesman, the late Lord Melville, was decidedly of opinion, that every article of India trade should be lodged in the warehouses of the Company, and sold in that room. (No. XII, Appendix.)—On this point he had the entire and unequivocal concurrence of his illustrious colleague, Mr. Pitt. That their goods should be brought into the port of London, was a fundamental article in the political and commercial creed of the East India Company. (*Hear! hear! hear!*)—It seems strange, indeed, for any man to say that he is not concerned in supporting his own rights—what can be meant by Ministers having given the Directors a *proper rub*? What! is not an Englishman to maintain his own rights? Is he not to speak his opinion honestly and frankly in his own cause? This is the birthright of an Englishman, and God forbid it should ever be wrested from him—it was a right he would give up to no Ministers. The Court of Directors had asked them, the reasons of changing their former sentiments and resolutions? they (the Proprietors) perhaps might be persuaded or convinced by them. It should be distinctly understood, that the Directors are not desirous of restraining the exports to the port of London, but of confining the imports to it, as a measure of vital consequence to the very existence

of the Company. The profits upon the trade certainly had been lessened, but this was owing to captures and shipwreck :—but, will the outputs be more exempt from such disasters than the Company ? The profits must naturally fluctuate upon all commercial undertakings. (The Chairman here alluded to an opinion given by Lord Castlereagh in the House of Commons on a former occasion, No. XIII. Appendix.) The Court of Directors were not anxious for a vote of thanks, but to deserve one. He had the highest opinion of His Majesty's Ministers as individuals ; but this should not induce him to sacrifice to them one iota of his duty or of the Company's rights.

*Mr. Alderman Atkins* could wish to hear how the honorable gentleman (Mr. Hume) would answer the arguments of the Chairman ; he was convinced that they were not to be answered. If the question was that of opposing the interests of the Company to those of the Country, there was not a single Proprietor that would hesitate between the duty and the sacrifice—there was no such collision of interests—the question was, whether the interests of the Company should be sacrificed, not to those of the Country but to popular mistake, to the delusion of experiment, to the cravings of speculation. One establishment for the protection of the trade and shipping alone for the port of London, had cost half a



million of money; millions had been expended upon others—more than 30,000 persons were employed in these establishments—if the exclusive trade is done away, these must all be driven from their wonted habits of industry, to seek, as they best could, a precarious subsistence—"You take away their life if you do take away the means whereby they live." It cannot be forgotten too, that the Company had furnished Government with 20,000 tons of shipping, amounting to fourteen sail, to whose assistance in a great measure the splendid victory over the Dutch at Camperdown may be attributed.—Could Government look to divided interests, scattered property, and unequal shipping, for so desirable an aid in future emergencies? It was much to be lamented that any shade of difference should exist on the question of adjournment, and on that account he could wish it were separated from the motion of thanks.

*Mr. Hume* (in explanation) considered his opinion had been so guardedly expressed, as not to be thought imputing blame to the Directors. If any loss should be sustained by the measures of Government, they are bound to give ample remuneration.

After a few words the motion of Thanks was united to that of Adjournment *with one dissentient voice, that of Mr. Hume.*

# APPENDIX.

## No. I.

*At a Secret Committee of Correspondence, the 27th  
November, 1812.*

The Chairman reported to the Committee, that he and the Deputy Chairman had this morning a conference with the President of the Board of Commissioners, on the subject of the Renewal of the Company's Charter, at which his Lordship declared it to be the intention of His Majesty's Ministers, not to abandon the proposition they had made, for allowing a direct trade between India and the outports of the United Kingdom ; but that the proposition might be modified, by confining the ports to which ships shall be allowed to import goods from India, to a number less than that to which the Warehousing Act now extends. Lord Buckinghamshire, however, was desirous, before resuming the correspondence relating to it, that the Committee of Correspondence should hold a conference with Lord Liverpool and himself upon the subject.

The Chairman further stated, that, in reply to Lord Buckinghamshire, the Deputy Chairman and himself declined making any observation at present, but stated their intention to communicate the substance of his Lordship's remarks to the Committee of Correspondence, and also expressed their wish, that the Committee might have the honour of waiting upon his Lordship, previously to the proposed conference with Lord Liverpool, to which Lord Buckinghamshire consented.

The Committee, in consequence, resolved to assemble at eleven o'clock on Tuesday next, for the purpose of deliberating upon the subject of the above communication, previously to waiting upon Lord Buckinghamshire, at the hour of two on that day.

## No. II.

*Letter from the Chairman and Deputy Chairman to  
the Right Honorable the Earl of Buckinghamshire.*

*East-India House, 28th November, 1812.*

MY LORD,

We have the honor to acquaint your Lordship, that we have communicated to a Secret Committee of Correspondence the substance of the conversation which we had yesterday the honour of holding with your Lordship, Mr. Wallace, and Mr. Sullivan, and in which it was notified to us, that the opinion of His Majesty's Government remains unaltered, regarding the expediency of not confining the import trade from the East-Indies to the port of London.

The Committee received this communication with the deepest concern and regret, its Members unanimously concurring with us in opinion, that should the proposed extension of the trade, even to a small number of the outports of the kingdom, be sanctioned by the Legislature, the measure will be highly prejudicial to the public revenue, injurious to the East-India Company, and detrimental to the prosperity of the merchants, manufacturers, traders, and other numerous bodies interested in the commerce with India, as now carried on through the channel of the river Thames. The Committee being still desirous of an opportunity of renewing their representations to your Lordship upon this important question, before any communication is made to the Court on the subject, have directed us to request the honor of a conference with your Lordship for that purpose. Should it be perfectly convenient to your Lordship to receive the Deputation on Tuesday next, at two o'clock, we shall be able to lay the result of the conference before the Court on the following day.

We have the honour to be, my Lord,

Your Lordships most obedient humble servants,

(Signed)

HUGH INGLIS,

ROBERT THORNTON.

The Right Hon. the Earl of Buckinghamshire,

&c. &c. &c.

## No. III.

*Letter from the Right Honorable the Earl of Buckinghamshire to the Chairman.*

SIR,                      *India Board, 28<sup>th</sup> November, 1812.*

I had the honor of receiving your letter of this day, proposing that the Secret Committee of Correspondence should wait upon me at this Board on Tuesday next.

I shall be happy to have the honor of seeing them; but as I am desirous that Lord Liverpool, and other Members of the Board, should be present at the interview, and as I find that twelve o'clock will be more convenient to them than two, you will, I hope, have no objection to make the appointment for the former hour.

I have the honor to be

Your most obedient and faithful humble servant,

BUCKINGHAMSHIRE.

Sir Hugh Inglis, Bart.  
&c. &c. &c.

## No. IV.

*At a Secret Court of Directors, held on Wednesday, the 2d December 1812.*

The Chairman acquainted the Court, that a meeting took place yesterday, at the Board, between several of His Majesty's Ministers and the Committee of Correspondence, upon the subject of the renewal of the Company's exclusive privileges, when it was agreed, that no minutes should be then taken, in order to afford the most unreserved mode of carrying on the discussion; at the conclusion of which it was understood, that His Majesty's Ministers would communicate, in writing, their sentiments upon the whole of the subject.

## No. V.

*At a Secret Court of Directors, held on Tuesday, the 15th December 1812.*

Minutes of the 2d instant were read and approved.

The Chairman stated, that two conferences between His Majesty's Ministers and the Committee of Correspondence had taken place since the 2d instant, *viz.* on the 5th and 12th instant, but that he had nothing further to communicate to the Court in consequence.

## No. VI.

*At a Secret Court of Directors, held on Wednesday, the 16th December 1812.*

The Court advertng to the statement which the Chairman had, with their approbation, made to the General Court to-day, as to the late conferences with His Majesty's Ministers, upon the subject of renewing the Company's exclusive privileges, and this Court deeming it a proper mark of respect to His Majesty's Ministers, that they should be apprized of the same as early as possible,

The Chairman and Deputy Chairman were requested to wait on the President of the Board of Commissioners for the Affairs of India to-morrow, to communicate to his Lordship what had passed in the General Court this day, and to state to his Lordship, that the Court of Directors continue decidedly to entertain the opinion which they have formerly expressed to His Majesty's Ministers, as to the ruinous consequences of admitting the imports from India to the outports of this kingdom.

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No. VII.

*At a Secret Court of Directors, held on Friday, the 18th December 1812.*

The Court having resolved itself into a Committee of the Whole Court,

And being resumed, the following report from the Committee of the Whole Court was read :

“ The Committee taking into consideration the present state of the negociation with His Majesty’s Ministers for the renewal of the Company’s exclusive privileges, deem it to be highly important, that the sentiments of the Court of Directors, upon the proposition brought forward for admitting the imports from India to the outports of this kingdom, should be unequivocally known.”

“ The Committee therefore recommend to the Court to pass a resolution, stating that the proposition in question is, for various reasons already set forth in the Court’s writings, pregnant with ruin to the affairs of the Company, inasmuch as it would render them incapable of performing the functions allotted to them, as well in their commercial as in their political capacity, and that the Court cannot therefore, consistently with their duty to their Constituents, recommend to them the adoption of such a proposition.”

And it was, on the question,

*Resolved Unanimously*, That this Court approve the said report.

And the Chairman and Deputy Chairman were requested to wait on the Right Honorable the President of the Board of Commissioners for the Affairs of India, and to communicate to His Lordship the above proceedings of this day.

## No. VIII.

*At a Secret Court of Directors, held on Tuesday, the 22d December 1812.*

The Chairman acquainted the Court, that in obedience to their resolution of the 18th instant, the Deputy and himself, on Saturday last, waited on the Right Honorable the President of the Board of Commissioners for the Affairs of India, with a copy of the minutes of the Secret Court of the 18th instant.

## No. IX.

*Letter from the Right Honorable the Earl of Buckinghamshire to the Chairman and Deputy Chairmen of the East-India Company.*

GENTLEMEN, *India Board, 24th Dec. 1812.*

The conferences held at this Board with the Committee of Correspondence, having had for their object the most unreserved and candid discussions upon points of the greatest importance, with respect to the renewal of the East-India Company's Charter, and it having been understood that no further steps should be taken upon the subject, until a communication was made by me, in an official shape, to the Court of Directors, it was not without some surprize that the copy of their resolution of the 18th instant was received by His Majesty's Government, because that resolution, adopted under such circumstances, appear to them to have for its object an abrupt termination to all discussion.

They cannot, however, consider it the less incumbent upon them, through you, as the proper official channel, to bring before the Court of Directors the principle upon which the opinions I have to apprise you of have been formed, in order to present to the Proprietors and the Public a correct view of a subject to which so much importance is attached.

I shall, therefore, convey to you the sentiments of His Majesty's Government, precisely in the terms I should have done, if no intimation had been made of the resolution of the Court of Directors of the 18th instant; and with that object I proceed to inform you, that with regard to those points, to which the attention of the Committee of Correspondence has been chiefly directed at the conferences held at this Board, the principle uniformly maintained, as the basis of any arrangement for the renewal of the East-India Company's Charter, *viz.* that the merchants of this country have as substantial claim to as much liberty of trade as they can enjoy, without injury to other important national interests, cannot be departed from.

It was in the hope that the opening of the export trade with India to the merchants of the city of London and of the outports, whilst the import was confined to the port of London, might not be found inconsistent with this principle, that a disposition was felt by the Government to propose an arrangement to that effect.

In consequence, however, of the promulgation of such an intention, several persons, interested in the commerce of the outports, represented in the strongest terms, that the proposed limitation of the import trade from India, rendered the extension of no value to them; and they declared themselves prepared to maintain, that this limitation was not called for by any adequate motive of public interest.

They urged their claim to an equal participation in the general trade to India, and their conviction, that the ground upon which the exclusion in favour of the port of London was defended, *viz.* the additional danger of smuggling, could not be supported, and they were satisfied that the alleged danger might be obviated by revenue regulations. They also entered largely into the subject of the China trade, contending strenuously against the renewal of the Company's exclusive Charter; and stated their reasons for believing, that measures might be adopted by which that trade could be opened, without injury to the revenue, and without hazarding the continuance of the intercourse with the Emperer of China's dominions.

The importance attached to these representations, induced His Majesty's Government to revise the arrangement which had been in contemplation; and although they did not see cause, under all the circumstances bearing upon this question, to alter the opinion they had entertained, of the propriety of continuing the existing restrictions upon the commercial intercourse with China, and of preserving to the Company the monopoly of the tea trade, they nevertheless felt, that the merchants belonging to the outports had established a claim against an absolute restriction of the import trade to the port of London,



Under this impression, I addressed my letter to you on the 27th of April ultimo.

The observations made by the Committee of Correspondence, in their reply of the 29th of the same month, did not fail to engage the serious attention of His Majesty's Government, but after the best examination of those observations, aided by all the information they have obtained from the Boards of Customs and Excise, they are not enabled to concur in the opinion, that the proposed extension of the import trade from India would be productive of any great increase of smuggling, and certainly not to the extent stated by the Court of Directors.

It is conceived, that the apprehensions entertained on this account might be obviated by various regulations, such as confining the trade to those ports which are, or may be so circumstanced, as to afford security to the due collection of the revenue ; by the limitation of it to vessels of four hundred tons burthen ; by attaching the forfeiture of the ship and cargo to the discovery of any illicit articles on board ; by an extension of the manifest act ; by regulations for checking the practice of smuggling in the ships of the Company ; as well as by other provisions, too minute to be entered into at present, but which will, of course, be attended to, in discussing the details of the subject.

I am persuaded it will not escape your observation, that from obvious considerations, the English Channel must, at all times, especially in time of peace, afford facilities and inducements for smuggling, which do not occur elsewhere to the same extent, on account of the clandestine traffic already established, and the ready communication with the opposite shore.

But, with respect to the whole of this part of the question, it is impossible to lose sight of the deep interest which the Government must feel in the prevention of smuggling. The interests of the Company are, no doubt, involved in it ; but those of the Government are still more concerned : and it cannot be supposed that they would bring forward any proposition which appeared to them likely to endanger a revenue

of from three to four millions ; or that, if a defalcation should unexpectedly arise, they would not immediately take measures for applying a remedy. The Company have, therefore, an ample ground of confidence, not only in the disposition of Government, but in their effectual co-operation on those points, on which the Court of Directors appear to feel the greatest anxiety, and on which they urged their strongest objections to the proposed arrangement.

The several articles which may be imported from the countries within the limits of the Company's Charter, and which are charged with an *ad valorem* duty, although, with the exception of Tea, they bear a very small proportion to the whole of the revenue collected from the trade from India and China, are nevertheless of sufficient importance to demand the attention of Government, as the question may affect the interests of the East-India Company, as well as those of the public revenue.

With this view, it will be necessary to consider whether, with respect to some of them, a rated duty might not be substituted, and whether regulations may not be made for the security of the duty *ad valorem* on those articles which shall continue to be so charged, and which, at the same time, shall prevent their being purchased at a price, likely to operate injuriously to the manufacturers of this country.

The justice of the observations, respecting the additional number of Europeans that would find their way to India in consequence of the extension of the trade, must be admitted to a certain extent ; but it is obvious, that this danger would arise from the extension of the export trade to India, and would scarcely be lessened by confining the import trade to the Port of London. Every individual, during his residence in India, would, of course be subject to the existing regulations of the local Governments.

The situation of Lascars, who are occasionally employed in the navigation of ships from India to this country, would demand the humane interposition of the Legislature ; and there can be no doubt that effec-

tual provision for their maintenance while in England, and for their return to India, will be made.

Having gone through the principal points to which our recent conferences have related, it may be proper for me to apprise you, that His Majesty's Government are of opinion, that the establishment of King's troops, which may be requisite for the preservation of the peace and security of the British possessions in India, must depend upon circumstances that it would be difficult to anticipate; but as the financial situation of the Company may render it necessary that the numbers to be maintained at their charge should be limited, there can be no objection to propose to Parliament, to specify that number by legislative enactment.

I have thus endeavoured to bring the sentiments of His Majesty's Government before you, with the same candor that has been evinced in our recent discussions; and I can venture confidently to assure you, that my colleagues, as well as myself, are most anxious to promote such an adjustment between the Public and the Court of Proprietors, as may be satisfactory to all parties.

The expediency of adhering to that system, by which the Government of India has been administered through the intervention of the Company, is strongly felt by His Majesty's Government; but it must not be supposed, that there are no limits to that expediency, or that there are no advantages which might result from a different course.

It is for the Court of Proprietors to decide, whether their own interests, as well as those of the numerous persons depending upon them, both at home and abroad, can best be preserved by their rejection of, or acquiescence in, those conditions, upon which alone, consistent with their public duty, His Majesty's Government can submit a proposition to Parliament for the renewal of the Charter.

You, Gentlemen, must be aware, that from its approaching expiration, provision must be made, without delay, for the future government of India; and that His Royal Highness the Prince Regent, in his speech

at the opening of the present session, has called upon Parliament to make such provision.

I have the honor to be,

Gentlemen,

Your most obedient and faithful humble servant,

(Signed) BUCKINGHAMSHIRE.

The Chairman and Deputy Chairman  
of the Court of Directors.

No. X.

*Letter from the Chairman and Deputy Chairman  
to the Right Honourable the Earl of Buckingham-  
shire.*

*East-India House, 30th December 1812.*

MY LORD,

WE were honoured, on the 25th instant, with the letter which your Lordship was pleased to address to us on the preceding day, and have laid it before the Court of Directors. We are instructed by the Court to acquaint your Lordship that a General Court of Proprietors of East-India Stock has been summoned, for the special purpose of taking into consideration the important subjects treated of in your Lordship's letter, and we shall lose no time in submitting to your Lordship the result of the deliberations at that meeting.

In reference to the first paragraph of your Lordship's letter, in which the resolution passed by the Court, on the 18th instant, is stated to have caused some surprise to His Majesty's Government, as appearing to have for its object an abrupt termination to all discussion, we are desired by the Court of Directors respectfully to offer the following explanation.

Your Lordship is aware, that at the commencement of the recent conferences on the subject of the Renewal of the Company's Charter, it was agreed between your Lordship and the Deputation from the Court, that no minutes should be taken of what passed in conversation.

Accordingly, no particular communication was made, prior to the receipt of your Lordship's letter of the 24th instant, of the result of these conferences: but an earnest desire having been expressed by those Gentlemen in the Direction who are not Members of the Committee of Correspondence, to be informed, whether the differences of opinion, formerly known to exist, on some important points, between His Majesty's Government and the Court, were in a train of reconciliation, and the general answer which we thought ourselves bound in duty to give, not having tended to afford them the satisfaction they expected, they deemed it proper that the sense of the Court, respecting the question of the outports, should be formally notified to your Lordship, and in consequence the unanimous resolution of the 18th was transmitted. Had the Court perceived that that proceeding admitted of the interpretation which has been put upon it by His Majesty's Government, they would assuredly have taken pains more effectually to guard against so great a misconception of the real intention, which was no other than to mark their adherence to the opinions they have uniformly entertained on the disputed question, of extending the import trade from India to the outports of this kingdom, which had formed the principal subject of discussion between the Members of His Majesty's Government and the Committee of Correspondence. It was certainly desirable for the Members of that deputed Committee, and it was thought that it might not be unacceptable to your Lordship, to know that the sentiments which they had expressed in the course of discussion, were sanctioned by the unanimous concurrence of the Body by whom they were delegated. The mode in which the resolution was adopted was conformable to the usage of the Court of Directors on solemn occasions, namely, after a report from a Committee of the whole Court, which always requires signatures, and which, in the present instance, was subscribed by every Director.

We trust, my Lord, that this explanation of the measure alluded to, will prove satisfactory to your Lordship and the other members of His Majesty's Go-

vernment; and while we return our sincere acknowledgements for the attention with which our representations have been listened to, in the various interviews with which we have been honored by your Lordship and His Majesty's Ministers who attended, we hope, at the same time, to stand perfectly acquitted of any design, either to prevent or embarrass a full and deliberate discussion of the great interests at stake.

It is a matter of deep concern to us to find, that His Majesty's Ministers seem still to adhere to the principle of opening the outports of the United Kingdom to the importation of commodities from India. We have already, in our letters of the 15th and 29th April last, fully stated the dangers that must result to the Company, from so great an enlargement of the privilege in Eastern commerce to British merchants. We presume to think our objections to that enlargement have not been adequately answered; and we have to express the concern felt by the Court, that no communication has yet been made to them, of those representations which first led His Majesty's Ministers to entertain, and which induce them still to adhere to the opinion, that the public interest will be best consulted, by not confining the import trade from the East-Indies to the port of London. It would occasion much satisfaction to the Court, should such a communication have the effect of obviating their objections, even in part, to a measure, which the most imperative considerations alone could have influenced them to oppose: and were it unfortunately to fail in producing this effect, it is nevertheless desirable, that the Court of Directors shall have an opportunity of reviewing the question with all the intelligence that can be brought to bear upon it. Your Lordship has, indeed, been pleased to favor us with a brief summary of some of the arguments used by the merchants on this subject,—arguments, we must own, not in the least convincing to us: and we assure ourselves, that in advertising to them, your Lordship does not mean that the Company should be concluded, or their fate determined, by what those who oppose their interests choose

to advance ; although their representations appear to have so far influenced His Majesty's Ministers, as to lead them to think, that the merchants " have a claim " to as much liberty of trade as they can enjoy, without injury to other important national interests." In those interests, we may presume, are comprehended both the consideration of the public revenue, and the maintenance of the East-India Company. But what that extent of trade is, " which can be granted with safety to those interests," is still a question undetermined. We confess that the regulations contemplated by His Majesty's Ministers, so far as your Lordship has been pleased to explain them to us, appear by no means calculated to remove our fears. The comparative interest which the Public and the Company have in preventing the smuggling of Tea, was described in our letter of the 29th April ; and though it be true, as your Lordship observes, that the stake of the Public in this concern is numerically greater than that of the Company, yet the importance of the Company's inferior stake is, to them, infinitely greater, than would be to the Public the importance of the loss the revenue might sustain ; because, as matters now stand, the Company have no certain dependance but the China trade, for resources essential to their subsistence. We do not the least question, that His Majesty's Ministers would be thoroughly disposed to frame additional regulations to prevent smuggling Tea, should those now in contemplation be tried, and be found insufficient. But besides that we extremely distrust the practicability of smuggling to a large extent, where the temptations would be so great, we must entreat your Lordship and His Majesty's Ministers seriously to consider, what would be the situation of the Company, if they obtained a charter upon no better terms than those now proposed, and upon trial it should be found that their commercial income failed, and that their dividend should be unprovided for or lowered :—their stock would immediately fall ; their credit would be diminished ; the currency of their affairs, in their payments particularly, would be impeded ; general alarm and dissatisfac-

tion in all parties connected with this great establishment would be felt : and there would be a necessity for going to Parliament again, when evils great, perhaps irretrievable, would have been experienced. It is the duty of the Executive Body of the Company to carry their views forward to such contingencies, and to seek provision against them : and we must beg leave to add, that whatever rights the merchants may claim, or the nation be pleased to bestow on them, it cannot be equitable to make concessions to them which should destroy the Company, who acquired the Indian empire, and who are as much the owners of the chief seats of European trade in that empire, as they are of their freeholds in London.

With respect to the resort of Europeans to India, if we do not misunderstand the scope of your Lordship's observation, it seems to imply, that their numbers might be in proportion to the export trade from this country. If, indeed, they were to be regulated by this scale, our apprehensions would be the less ; but we have no difficulty in acknowledging, that in addition to all our other arguments against admitting importations to the outports, we think that the granting of this privilege would increase the spirit of rash speculation from Great Britain and Ireland, and thereby the number of adventurers in search of fortune in India ; for it is to be remembered, that those adventurers would naturally seek for new establishments, even out of the Company's territories, and there endeavour to acquire real property.

But, my Lord, this is only one of many points which require particular regulations ; and, at the stage at which we are now arrived in the negotiation, we cannot but state to your Lordship, the anxious wish of the Court to be made acquainted with the whole plan which His Majesty's Government may have it in contemplation to recommend to Parliament for a Renewal of the East-India Company's Charter : including such amendments in the system of the Company's territorial government and administration, as past experience



may have indicated ; the regulations deemed necessary for promoting the discipline and efficiency of the Indian Army ; the amount of force which His Majesty may be empowered to maintain in India at the expense of the Company ; and the provisions that may be thought requisite for settling the relative powers of the Board of Commissioners and the Court of Directors. Though these topics were specifically mentioned in the letters from Lord Melville to the Chairs, of the 30th September 1808 and the 21st March 1812, the Court are still, in great measure, uninformed of the arrangements, in regard to them, which His Majesty's Government may have in view to propose. And we entreat, also, that your Lordship will enable us to lay before the Court of Directors, and ultimately the Proprietors, in any shape that you may judge fit, the information, additional to that of the merchants already solicited, on which the determination of His Majesty's Ministers rests, as to the extension of the trade to the outports, and their intentions upon the other parts of the arrangement to which we have now adverted.

The requests we now make appear to us the more reasonable, from the weighty intimation conveyed in the concluding part of your Lordship's letter. It brings into view (to repeat an expression used in our letter of the 15th April), "*questions of the last importance to the safety of the British Empire in India, and of the British Constitution at Home.*" This is a solemn subject for the Country, as well as the Company. If, indeed, it should ever come under actual discussion, we have that confidence in the equity and wisdom of the Nation, that notwithstanding all present clamours, they will wish to do the Company justice, and to guard all the other great interests which must come into question. But prepared as we shall be, if forced into this situation, to maintain the rights and claims of our Constituents, we must yet express our hope, that the Company will not be reduced to the hard alternative, of thus having to contend for all that is dear to them, or to accept a Charter on terms

which will not enable them to execute the part hitherto assigned to them in the Indian system.

We have the honour to be,

My Lord,

Your Lordship's most obedient humble Servants,

(Signed) HUGH INGLIS,

ROBERT THORNTON.

The Right Honorable the Earl of  
Buckinghamshire, &c. &c. &c.

### No. XI.

*Letter from the Right Honorable the Earl of Buckinghamshire to the Chairman and Deputy Chairman noticed in the preceding Minute.*

*India Board, 4th January, 1813.*

GENTLEMEN,

I had the honor to receive your Letter of the 30th ultimo, and proceed to convey to you the sentiments of His Majesty's Government, as far as it would seem advisable, under present circumstances, to continue the discussion.

With respect to your observation, that the representations which induced His Majesty's Government to form their opinions upon the subject of the extension of the Import Trade, have been withheld from the Court of Directors, and that your objections to that extension have not been "adequately answered," you must allow me to avail myself of this occasion to apprise you, that although His Majesty's Government have shewn a strong disposition to enter into the most frank and unreserved explanations with the Court of Directors, they have not felt that it was within the range of their duty to engage in a controversy upon the points at issue. That duty has been sufficiently discharged; in stating, for the information of the Court of Proprietors, the conditions upon which they were prepared to

submit a proposition to Parliament for the renewal of the Charter, accompanied by such reasons as are conveyed in the communications they have authorized me to make.

I can, however, have no difficulty in acquainting you, that the claims of the Merchants connected with the outports have not been brought before Government by written documents; that they have been urged and discussed at personal conferences with individuals, interested in their success; and that you have already been informed of the grounds upon which they were supported; but that it does not appear to His Majesty's Government, that you can be warranted in expecting that they should give a more particular account of the arguments adduced at those conferences.

I may add, however, that as the merchants and manufacturers connected with the outports, considering themselves entitled, at the expiration of the Charter of the East-India Company, to carry on that trade, from which they had been excluded for a limited time, had entered into a statement of their case, by petitions presented to Parliament in the course of the last session, you may obtain from those records that further information which you appear desirous to possess.

With regard to those points to which you have alluded, as requiring particular regulation, the Ministers of His Royal Highness the Prince Regent having signified to you, that consistently with their sense of public duty, they can submit no arrangement to Parliament, that does not include an extension of the import trade, and the Court of Directors having, with a knowledge of their opinions upon that point, by their resolution of the 18th ultimo, declined to recommend to the Court of Proprietors to agree to such an extension, it would seem premature to enter into details, until that question shall have been finally determined.

You are apprised of the disposition of His Majesty's Government to adhere to the present system of administration in India, and I am not aware that, if circumstances should admit of its continuance, it

would be necessary to propose any material alteration in the existing provisions for carrying it into execution, except such as may arise from the opening of the trade.

The confidence you express in the wisdom and justice of Parliament will, I am persuaded, not be disappointed; nor is it to be supposed, that in the consideration of this great question (to use your own words) "the safety of the British Empire in India" and the British Constitution at Home" will be overlooked, either by the Legislature or the Ministers of the Crown.

If the Government of India cannot be carried on with safety to the Constitution, except through the intervention of the Company, the propositions of the Court of Directors, whatever they may be, must unconditionally be admitted.

It will be for Parliament to determine, whether the Nation is, in this respect, without an alternative; or whether, if a change of system should be rendered necessary by the decisions of the East-India Company, measures might not be taken for opening the trade, and at the same time providing such an administration of the Government of India, as might be found compatible with the interests and security of the British Constitution.

I have the honor to be,

Gentlemen,

Your obedient and faithful humble Servant,

(Signed) BUCKINGHAMSHIRE.

The Chairman and Deputy Chairman  
of the East-India Company.

No. XII.

*Extract of a Letter from Lord Melville to the Chairman, dated 2d April, 1800.*

In the first place, I set out with disclaiming being a party to those opinions, which rest upon any

*general attack of the monopoly of the East-India Company*, either as to the *government* or *commerce* of India. My sentiments, in that respect, remain exactly the same as they were when I moved the renewal of the Charter, in 1793; and, if any thing, I am still more confirmed in the principles I brought forward at that time. That a direct interference by Government in the affairs of India is necessary for their stability and uniformity, I am more and more convinced; but that the ostensible form of government, with all its consequent extent and detail of patronage, must remain as it now is, I am persuaded will never be called in question by any, but those who may be disposed to sacrifice the freedom and security of our Constitution, to their own personal aggrandizement and ill-directed ambition; I remain equally satisfied, as to the propriety of *continuing a monopoly of the trade in the hands of the East-India Company*. Those who maintain the reverse, appear to me to be misled by general theories, without attending to the peculiar circumstances of the trade they are treating of. Viewing it, EVEN as a mere COMMERCIAL question, I believe this proposition to be a sound one; and if the trade were laid open, the supposed advantages thence arising are, AT BEST, very problematical, and would certainly be very precarious and short-lived. It is, however, totally to forget the question, to treat it as a mere commercial one. The same principles which prove the necessity of the present form and mode of Indian government, evince the necessity of the monopoly of trade. The Government and the trade are interwoven together, and we have only to recur to a very recent experience, to learn the immense advantages which have flowed from that connection of Government and trade. By the commercial capital of the Company at home, acting in connection with the public revenues under their administration abroad, they have mutually aided and administered to the wants of each other, and the result has been, the fortunate achievement of those brilliant events, upon the success of which depended the existence of the Government, the territorial wealth, and the trade of India.

*Extract of a Letter from Lord Melville to the Chairman, dated 21st March 1801.*

I am prepared explicitly to declare, that although the first formation of an East-India Company proceeded upon purely commercial considerations, the magnitude and importance to which the East-India Company has progressively advanced, is now so interwoven with the political interests of the Empire, as to create upon my mind a firm conviction, that the maintenance of the monopoly of the East-India Company is **EVEN MORE IMPORTANT TO THE POLITICAL INTERESTS** of the State, than it is to the **COMMERCIAL INTERESTS** of the Company.

No. XIII.

*Lord Castlereagh's Opinion expressed in the Debate in the House of Commons on the East-India Budget, 18th July 1806.*

It seemed, however, unjust to describe the Company's commerce as carried on at a loss. To what precise extent it might be profitable, after providing a liberal dividend to the proprietors, might be a matter of more difficult calculation, and must, like all commercial results, be in its nature fluctuating; but, in reasoning upon this branch of the Company's affairs, the worthy alderman (Mr. Priusep) must establish several preliminary facts, before he can expect to persuade Parliament that the commercial existence of the Company is to be considered merely on grounds of mercantile profit. He must be prepared to shew that individuals would be as likely to carry on steadily the commerce of India, under all the fluctuations to which such a trade is liable, where the outgoings are great, and the returns distant, as a great trading corporation. He must be prepared to dispel the apprehensions which must be entertained with respect to the injurious influence on the prosperity of India, which may be the consequence of an unsteady and unequal demand for their produce, before he can expect

to satisfy Parliament that an intercourse, perfectly unrestrained, is preferable to that qualified intercourse, partly free and partly restricted, which now prevails. If he assumes, that individuals by using an inferior description of tonnage, could carry on the trade at less expense, and consequently at greater profit, he must be prepared to shew, that this is not merely by throwing the difference of the expense on the public, by rendering numerous and expensive convoys requisite to protect their feeble vessels in time of war, whilst the Company's ships, with a comparatively slight aid from our navy, are competent to protect each other, and to set the enemy's ships of war, even when in considerable force, at defiance. He must be prepared to shew, that such an establishment as that of the Company, could be kept up without the protection of a qualified monopoly ; or that such a system is in itself unnecessary to the political existence of the Company, and the management of large territorial revenues, when both in peace and in war funds must be transferred through the medium of commerce from India to Europe and from Europe to India. He must also shew, before he can establish that the interest of the manufacturer at home is interested in such a change, that individual speculators would be disposed to send out British manufactures, even at some loss, as the Company have frequently done, or that there is any other limit to the amount of this description of Export, on the part of the Company, than the utmost quantity the Indian market can take off, which they have not hitherto been able, with their most strenuous efforts and some sacrifices, to carry beyond 2,000,000 a year. These, and many other important doubts must be solved, before any satisfactory or sound conclusion can be come to, on the great practical question (Private Trade), to which the worthy alderman, somewhat out of time, had been solicitous to point the attention of the Committee.

## No. XIV.

*A General Court of the United Company of Merchants of England Trading to the East-Indies, held on Tuesday, the 5th May, 1812.*

*Resolved unanimously,* That this Court has learnt with deep concern and surprize, that His Majesty's Ministers have been induced to change the view they first entertained of the propriety of confining to the Port of London the returns of the trade to India, now to be permitted to all British subjects. That the measure of opening the Outports to vessels of all descriptions from India, comprehending in that term the Eastern Islands, appears to this Court to be fraught with consequences ruinous to the Company, and all the long train of interests connected with it; by removing from the port of London the greater part of the Indian trade, which it has hitherto enjoyed; by rendering useless many of the expensive establishments formed there for the merchandize and shipping of that trade, and throwing out of bread many thousands of persons who now derive constant employment from it; by deranging the practice and frustrating the end of stated public sales, which are useful and important, both to the Country and the Company, who are necessarily restricted to this practice; but, above all, by affording facilities for the smuggling of teas into the ports and harbours of England, Scotland, and Ireland, to an extent unlimited, and as this Court apprehend, uncontrollable. That the consequences of this must be, the destruction of the Company's China trade, their best source of commercial profit; the failure of their dividend; the depreciation of their stock; and, unless a fund is provided from some other source for the payment of the dividend, inability on their part to continue to perform the functions assigned to them in the Government of British India. That if the constitution by which the Indian Empire is now administered should thus be subverted, the excellent system of civil and military service formed under the Company, and maintainable only by such a body, will be broken down;



the tranquillity and happiness of the vast population which that empire contains, the interests of this country in Asia, and its constitution at home, will be imminently endangered.

That the professed object for which the proposed changes are to be made, and such immense sacrifices hazarded, namely, the increase of the commerce of this kingdom, cannot be in any great degree attained, there being no practicability of extending materially the use of our manufactures among the Indian people, the tonnage allotted by the Company, or afforded by Indian ships in the management of individuals, for such exports, not having been fully occupied. Neither does it appear practicable largely to augment the importation of profitable commodities from thence; of all which the example of the American trade to the East is a proof, British Manufactures, which they could easily have procured, making no part of it, nor their returns exhibiting any new articles of importance. That therefore the trade now enjoyed by the Company and individuals will be the only certain trade to which new adventurers can have recourse. And this will be no addition to the commerce of the Country, but only a transfer from one set of hands to another: so that, old establishments will be subverted, without substituting any thing equally good in their place; and, to all appearance, with great detriment to the nation, particularly in the defalcation of a large part of the duties now collected on tea, to the amount of four millions sterling per annum; for all which defalcation, whether, one, or two, or three millions, new taxes must be laid on the people.

That the cause of the Company has been deeply injured by prejudice, ignorance, erroneous assumptions, and of late by extensive combinations, and by unfair representation, canvas, and intimidation: in all which the merits and rights of the Company, the political interests of British India, and of this country as connected with them, have been left out of sight, and the single object of the extension of commerce, an object

too only of speculation, in opposition to past experience, is the governing principle.

This Court however confidently hope, that Parliament will not decide the fate of the Company, on the representations and demands of private interests, but on just and comprehensive views of national policy; and the Court must also believe that His Majesty's Ministers are too enlightened and equitable, finally to adopt any measure calculated to destroy the commercial profits of the Company, and thereby to disable them from performing their political functions. This Court therefore entirely approving, both of the firmness which their Directors have shewn in maintaining the interests of the Company, and of the manner in which they have, in the papers now produced by them, defended those interests, doth recommend it to them, to persevere in the negotiation with His Majesty's Ministers upon the same principles; assured of the determination of this Court to support them to the utmost, in maintaining the permanence of the Company and the national interests which are involved in their stability.

*Resolved unanimously,* That the thanks of this Court be given to Randle Jackson, Esq. for his very luminous and excellent speech this day; for the great zeal, ability and industry he has on various occasions, and particularly on this, displayed for the honor and advantage of this Company.

*Resolved unanimously,* That the warmest thanks of this General Court be offered to the Chairman, Deputy Chairman, and Court of Directors of this Company, for their very able conduct in the negotiation with Government for the renewal of the Charter; alike evincing the most luminous ideas of the best interests of this Company, and their most honorable conduct in the management of so important a concern.

The Court then on the question adjourned.

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~~BY CHARLES MACLEAN, M. D.~~  
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## PREFACE.

**THE** question, now at issue, between his Majesty's Ministers and the East India Company, which forms the subject of the following pages, is one of the greatest importance to the British Empire, that can possibly be agitated, in the present state of the world. It is a question, in the elucidation of which too many minds cannot be occupied, or too many pens employed.

The serious, and to many the unexpected turn, which the negotiation for the renewal of the East India Company's Charter has recently taken, must have been sufficient to rouse and to alarm every reflecting mind, capable of appreciating the importance of the connection between Asia and Britain.

In common with others, who have feelings and affections connected with India, my mind has been deeply impressed with the mischievous, or rather, I should say, the ruinous tendency of the measures contemplated, and now, apparently, determined on, by his Majesty's Ministers. Regarding the matters in dispute, as by no means of a commercial nature; but rather of a mixed character, principally compounded of considerations of justice, policy, and expediency, upon which all men of common observation, and some knowledge of Indian affairs, may form a correct judgment; I have, upon this ground, and presuming upon the experience acquired in the course of several voyages to India, and of some residence there, ventured to arrange my thoughts on the subject, and to submit them to the public.

From the terms of the last official documents, which have transpired, it is difficult to consider the negotiation, between Ministers and the East India Company, otherwise than terminated; or that the contending parties have not finally taken their respective stands. Lord Buckinghamshire, in his Letter of December the 24th, 1812, thus unequivocally announces the determination of his

Majesty's Ministers to persevere in the obnoxious measure of laying Open the Trade to India, to the Out-ports of this Kingdom:---“It is for the Court of Proprietors to decide, whether their own interests, as well as those of the numerous persons depending upon them, both at home and abroad, can best be preserved by their rejection of, or acquiescence in, those conditions, upon which alone, consistent with their public duty, his Majesty's Government can submit a proposition to Parliament, for the renewal of the Charter.”\*

In their reply, dated the 30th December, the Chairmen of the Court of Directors repeat in the following terms their determination, already so frequently declared, to maintain the rights of their Constituents: “But prepared as we shall be, if forced into this situation, to maintain the rights and claims of our Constituents, we must yet express our hope, that the Company will not be reduced to the hard alternative, of thus having to contend for all that is dear to them, or to accept a charter, on terms which will not enable them to execute the

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\* *Vide Papers respecting a negotiation for a removal of the East India Company's exclusive privileges, p. 172.*

part hitherto assigned to them in the Indian system." \*  
 'To' this intimation, Lord Buckinghamshire, in a letter, certainly the most extraordinary that has appeared in the course of this negotiation, and which will not probably escape becoming the subject of numerous animadversions, replies, that " it will be for Parliament to determine, whether the nation is, in this respect (the existence of the present Indian system,) without an alternative; or whether, if a change of system should be rendered necessary by the decision of the *East India Company*, measures might not be taken for opening the trade, and at the same time providing such an administration of the Government of India as might be found compatible with the interests and security of the British Constitution." † His Lordship has not thought fit

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\* *Vide Papers respecting the negotiation for a renewal of the East India Company's exclusive privileges, p. 179.*

† *Vide Lord Buckinghamshire's Letter, dated January 4, 1813. Ibid. p. 183.*—In the paragraph preceding the last, he says, " If the Government of India cannot be carried on with safety to the Constitution, except through the intervention of the Company, the propositions of the Court of Directors, whatever they may be, must unconditionally be admitted." This is very far from being, even generally, a correct inference. The propo-

to explain by what measures this compatibility might be effected, any more than he has the grounds on which Ministers have chosen to persist in their determination of opening the Trade to India to the Out-ports. The pompous proposition, on which they seem to lean with so much confidence and complacency, that "the Merchants of this country have a substantial claim to as much liberty of trade as they can enjoy, *without injury to other important national interests,*" can here have no meaning; since the *quantum* of that liberty, which may be extended to them on this ground, is precisely the question at issue. It has been demonstratively shewn by the Court of Directors, and certainly they are in this case a much more competent authority than any of their opponents, not even excepting his Majesty's Ministers, that the Merchants of this country already enjoy as much of that liberty, as is compatible with the other important national interests concerned. And do these Ministers apprehend that

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situation of the Directors, that is not founded in strict justice, liberal policy, and constitutional principles, need be admitted by the Legislature. On the present occasion, if they have erred, it has been in committing the matter to a Ministry, who seemed determined to continue doing unnecessarily in their demands.

justice to the East India Company, the preservation of the rights and privileges belonging to them, or the inviolability of their property, do not form a part, and a very essential part of those "important national interests?" If they do entertain such sentiments, it is high time that they should be undeceived.

It has been rendered evident to the meanest capacity that an extension of the liberty of trade to India, such as is now contended for, is not only incompatible with the best interests of the British Empire; but that it would prove the immediate ruin of those individuals, who are most vociferous in its favour. Consequently, could it for a moment be believed that the gratification of those petitioners was the real motive, which induced His Majesty's ministers to persist in the measure of laying open the trade to India from the out-ports, they would resemble the indiscreet nurse, who, in order to appease a froward child, should put into its hands some sharp, or pointed instrument, of which the first use it should make might be to wound itself. But this, I think, would be underrating their abilities. To have expected that the Legislature should be so insensible to their rights, or persons so

little firmness, as, without an equivalent, and without a struggle, to surrender what they consider the key to all their privileges, would be to argue a greater want of penetration in His Majesty's ministers, than can perhaps be fairly imputed to them. It seems much more probable that they had anticipated, and were desirous of producing, the result, which, has actually happened, with the view of creating a pretext for transferring to themselves the whole power and patronage of India, and by these means of retaining their ministerial situations for life!

This transfer, to the crown, of the power and patronage, incident to the government of sixty millions of the inhabitants of Asia, which could not fail to enable its servants more commodiously to rule sixteen millions of British-born subjects at home, appears to be the grand measure, by which the ministers of the Prince Regent\* propose to effect a

\* It is somewhat remarkable, that Lord Buckinghamshire, although he generally designates himself and his colleagues, "*His Majesty's government*," whenever he means to bear peculiarly hard upon the East India Company, calls them "*the Ministers of His Royal Highness the Prince Regent*." *Vide his Letter of the 4th Feb. 1813, published in the Papers respecting the Negotiation for the renewal of the East India Company's exclusive Privileges, p. 182.*



change in the East Indian system, “ rendered necessary,” they say, “ by the decision of the East India Company,” that shall be “ compatible with the *interests and security* of the *British Constitution* !”

But parliament, it cannot be doubted, when this great question comes before them, will take an enlarged and unbiassed view of all the grand national interests involved in the controversy. They will not, to gratify the blind or criminal ambition of any set of ministers, suffer the East India Company to be despoiled of their property, the Crown of its revenue, the people of a necessary of life, and the nation of its freedom.

62, *Hatton Garden,*  
*January, 1813.*

**CONSEQUENCES**  
**OF**  
**LAYING OPEN THE TRADE**  
**TO**  
**INDIA, &c.**

**F**ROM the establishment of the East India Company, as territorial sovereigns in Asia, it has been the usual practice, previous to the introduction of a Bill into Parliament, for the further extension of the term of their exclusive privileges, that the conditions upon which their Charter was to be renewed, and the principles upon which the Indian empire was to be governed, should be made the subject of arrangement between the Ministers of the Crown, on the part of the Public, and the Court of Directors, on the part of the East India Company. And these arrangements have generally undergone but few, or unimportant modifications, in receiving the sanction of the Legislature.

By the great extension of territory, and increase of trade, which have been progressively effected, under the judicious management of the Company,

these negotiations have, at each successive renewal, acquired additional importance. Since the Bill of 1793, the population, the territory, and the commerce, under their jurisdiction, have been more than doubled : and the civil and military establishments of their vast dominions, as well as the ties between them and the mother country, have been augmented in the same ratio. When to these is added the immense trade carried on by the Company with the empire of China, they form altogether the grandest and most stupendous, and it may truly be said, the most singular, political, and commercial edifice the world ever saw. In its now splendid state, it is not only the brightest jewel in the British Crown, but the fairest portion of the British empire. How, then, are we to characterize a measure, which must obviously destroy the unity of the approved system, by which our Asiatic possessions and commerce have, in that period, risen to such prosperity and splendour? By impartial men, and men of experience, it will be viewed as an unjustifiable experiment on the integrity and safety of the British empire;—an experiment made too at a season of peculiar political peril; and risked (if the avowed be the real motive), in mere compliment to unfounded clamours, which do not even arise from the effervescence of popular discontent, but have been excited, with much art and industry, by the unenlightened selfishness of some commercial and manufacturing bodies.

Under these circumstances, it may be considered most fortunate, for the nation, for the East India Company, and more especially for those who were most active in petitioning Parliament for an unrestrained intercourse with India, that the renewal of the Company's Charter did not come under discussion last year; but that a measure so highly important to the best interests of the State has been delayed, until the delusive expectations, which had been excited, and the erroneous conclusions which had been formed, should have time to subside, or be rectified by a perusal of the very able official correspondence, which has taken place between the Court of Directors and his Majesty's Ministers on the subject.

At the various periods of the renewal of the term of the Company's exclusive privileges, and before the system of East Indian government had attained its present almost perfect form, many speculative notions were afloat, respecting the sort of constitution which would best suit our Indian territories, consistently with the spirit and preservation of our own. Various plans were of course projected. Some were for depriving the Company of the territories, and leaving them in exclusive possession of the trade; others for depriving them of the trade, and leaving them in possession of the territories. It does not, however, appear, that, since the establishment of the present Indian system (by the Bills of 1784 and 1793), either of those ideas have been entertained

by any of our most celebrated practical statesmen. Of late years especially, the territorial government of India, and the trade between India and Europe have been regarded as, under that system, inseparably united; constituting a fabric of unprecedented grandeur, extent, and solidity, which it would be rash, presumptuous, and dangerous, in the idle view of speculative or uncertain advantages, to disturb. Even Mr. Fox, although on former occasions an avowed enemy of the East India Company, declared himself, in the House of Commons, to be of this opinion, when last in office.

It could not, therefore, but have been with surprise, astonishment, and regret, that the East India Company learnt, in the month of April last, that his Majesty's present Ministers had then recently adopted views upon this subject, very different not only from any which had been entertained by their predecessors, but even from any which they had themselves, in the course of their discussions with the Company, respecting the renewal of the Charter, hitherto avowed.

It is the more essential that these new propositions of the Ministers should be examined, in every possible point of view, before the decision of the Legislature upon them is called for, since by that decision, it is very evident, will be ultimately determined the fate not only of the East India Company, and their private rivals, but of India and of Britain.

The pending question between his Majesty's

Ministers and the East India Company, it appears to me, may be thus succinctly stated. The President of the Board of Controul, speaking in the name of all the Ministers, informs the Court of Directors, that the government of the territorial dominions, and the monopoly of the China trade, shall remain with the Company, as at present; but that they must renounce their exclusive right to the trade between India and Europe. Against this project, the Court of Directors remonstrate; and say, "To what purpose leave us the government of our Asiatic territories, and the trade to China, if you, at the same time, deprive us of the bulwark (the exclusive privilege of *employing ships* to India), by which alone they can be effectually supported?" Or, in other words, "if you establish an engine (the privilege to individuals of sending ships of all sorts and sizes, from all the ports of Great Britain to India), by which they must both be eventually destroyed?"

The question, then, which we have here to examine, appears to be strictly this:—Whether the dangers apprehended by the East India Company to the safety of their Asiatic territories and China trade, from the indiscriminate admission of the ships of individuals to the trade of India, be imaginary, fallacious and pretended, or founded in foresight, wisdom, and experience? "

Before entering on this enquiry, it may be proper to remark, that all the opponents of the Company

have either egregiously mistaken, or affected to mistake, the real nature of the question. They have all regarded or affected to regard the trade to India as a monopoly, which, as shall be presently shewn, is very contrary to the true state of the case. Some of them have represented it as a losing trade; and, with sufficient inconsistency, have accused the East India Company of selfishness, in seeking to preserve a losing trade. With a still higher degree of inconsistency, they have manifested the most eager desire to participate in this “*losing trade* ;” as if presuming themselves capable, as individuals, with capital and other advantages so greatly inferior to the Company, of converting it into a *profitable* one. While, indeed, they affect grounds of public utility, they shew, by the whole tenor of their reasoning, that in seeking to invade the privileges of the East India Company, they have no other view than the fallacious one, in this case, of private gain. It was necessary to their object to represent the interests of the public, and of the East India Company, as at variance, and utterly irreconcilable; and their own interests as identified with those of the public. It also happened that, in the comparatively stagnant state of commerce and manufactures last year, the persons most immediately suffering under those evils, like drowning men grasping at straws, were led to hail the era of the termination of the Company’s exclusive privileges, and of the establishment of an Open Trade to India, as that of

the termination of their own misfortunes. In considering an open trade, and an increased consumption of British Commodities in India, as synonymous terms, they all seemed to concur. Ignorant of the character of the inhabitants of Asia, they regarded the regulated trade of the Company, as that which alone prevented this increase of consumption. They branded it with the name of Monopoly; and armed with the authority of Dr. Adam Smith, they declared *all* monopolies to be mischievous, and, with that of Thomas Paine, to be contrary to the imprescriptible rights of man.

The consequences of the admission of these principles would go much farther, than those who have advanced them, to serve particular purposes, could wish. They would go the length of laying open the trade to India to all the world. But we shall limit our reasoning to the boundaries of the British empire. If, upon the principle of universal right, the trade to India be laid open to *some* parts, with what justice can the same privilege be withheld from *other* parts of the British dominions? If it be an inherent right in the Merchants of Bristol, Liverpool, and Glasgow, to trade with India, is it not equally so in the inhabitants of the Orkney and Shetland Islands, of the West Indies and North America?

To argue seriously, or at any length, against these abstract and inapplicable doctrines, must here, I should apprehend, be unnecessary. The East



India Company; however, while they refuse to bow to the authority of such wild and vague hypotheses, have done themselves honour by not narrowing the question, as if it only involved the opposing interests of different bodies of men. The Court of Directors have, on the contrary, throughout their correspondence with Ministers, argued the case as it may be supposed to affect, in every grand view of policy and expediency, the interests of the nation at large; considering their constituents not as an isolated Corporation, but as members of the state, identified, in all their relations, with the great body of the community.

It is a notorious fact that the trade to India, so far from being of the nature of a monopoly, is already as open and unrestrained as is consistent with just and rational views of public utility. The tonnage, which, under the idea of extending the commerce of individuals, has been appropriated to private trade, by the Bill of 1793, is four times greater than has ever been claimed by those for whom it was intended.\* Of sixty-three thousand tons allotted for this purpose, during the last six years, only sixteen thousand (about one fourth) were filled up; leaving forty-seven thousand tons to be paid for by the Company, on account of the Public.

Here is no monopoly; or impolitic restrictions on

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\* Vide Papers respecting the negotiation for a renewal of the East India Company's exclusive Privileges, &c. p. 129.

trade. On the contrary, greater facilities are held out to the private Merchant, and that too at a great inconvenience and enormous expence to the Company, than he chooses to avail himself of. If more tonnage than the law allots, had been required for the accommodation of the private trader, the liberal conduct of the Company in other respects evinces that they would have readily granted it.

They did actually, on several occasions, allow to private traders from India several thousand tons more than was allotted by law. The fact, indeed, is that although a certain quantity of tonnage is specified by the act of 1793, for the accommodation of the individual Merchant, it was for the discretion of the Court of Directors to have allowed more, had it been required.

Did they not with the most commendable liberality, offer the County of Cornwall to export annually to China, twelve hundred tons of tin, *freight free*;\* although, were they only to consult their own convenience, they could supply that market with the same article upon better terms from various parts of India? Have they not, upon a similar principle of accommodation, made an annual sacrifice of £50,000, for the special encouragement of the woollen manufactures of this country?

To call a trade, conducted upon such principles, a monopoly, is equally contrary to reason, and to fact.

But, besides allotting more tonnage annually to individual Merchants, than these have been disposed to occupy, the Company have shared, in another way, the fruits of their commerce with the public. The payments which they have, at various periods, made to the state, from 1768 to 1812, amount to £.5,135,319 ; or at the rate of one hundred thousand pounds, and upwards, annually ;\* to say nothing of the immense revenue arising from their well-regulated trade.

“ It is a solecism,” as has been well and truly observed by an eloquent Proprietor of East India Stock,† “ to call that trade a monopoly, which admits the whole country to a partnership in its eventual gains ; and which allows any Merchant, or Trader, to export to or import from India, to an extent considerably beyond what has ever been claimed.” That is not a monopoly, of which every person, and every association, by purchasing stock, may become members ; whose sales are regulated, the prices being left at the pleasure of the buyers ; and their amount annually laid before Parliament. The East India Company, in short, is not a private Corporation, trading exclusively ; but the British nation, trading under legislative regulations to India. . . .

\* Vide Papers respecting the negotiation, &c. p. 57.

† Mr. Randle Jackson—Vide his speech delivered at a General Court of Proprietors, 6th May 1812, p. 16.

It will not be supposed, by any man of sense, that the Company would be disposed to make the great sacrifices, which have been here alluded to, merely to humour the caprices, or to fall in with the false notions of interest of particular descriptions of men; had they not powerful motives, arising from other sources than those of mere commercial profit, for wishing to retain the exclusive privilege of the navigation to India: for this alone, if I understand the matter right, is what the Company contend for, as essential not only to the security of their China Trade, but to the permanent safety of their Indian Empire. They will, I am persuaded, have no objection to make the farther sacrifice of allotting to the use of the private Merchants, as much more tonnage, than was granted by the Act of 1793, as there may arise a demand for. But surely, since this can be shewn to be essential to the safety of their dominions, they have a right to expect that all trade to India should continue to be carried on, in ships, under their immediate controul, or exclusively in their service.

The question, then, as it at present stands, between his Majesty's Ministers and the East India Company, does not respect the exclusive privilege of trade, but the exclusive privilege of navigation; and divides itself into three branches:—

1. The admission of private ships into the trade of India, from the Port of London only.
2. Their admission from the outports.

3. The admission of ships of inferior burthen into the trade.

It was upon the scale, contemplated in the first branch of this proposition, that Lord Melville proposed the alterations in the Indian system of trade should be carried into effect. Even on this comparatively limited scale, as at first intended by his Majesty's Ministers, the measure will appear to be more than sufficiently pregnant with mischief; while the benefits to be expected from it, are, according to the acknowledgment of Lord Melville himself, at least extremely doubtful. But the two ulterior branches, brought forward by the successor of that nobleman, immediately after his retirement from the Board of Controul, are peculiarly well calculated to aggravate and accelerate the evils, which would have been occasioned by the original branch in a smaller and a slower degree.

These evils I propose to consider in the following order; and to shew:—

1. That the establishment of an unlimited intercourse, by Private Ships, with India, would inevitably lead to the colonization of that country; which could not but terminate in its separation from Great Britain.

2. That this intercourse, particularly if carried on from the outports, and in ships of small burthen, would be productive of irregularity, smuggling, depredations, and even piracy, in the Indian Seas; that its immediate effect would be materially to

injure the Company's regular trade to China; and that it would endanger the permanency, or occasion the entire interruption of the intercourse with that country, to the utter deprivation of an article, become essential at least to the comforts of the inhabitants of this country, if not an absolute necessary of life.

3. That, at home, the public revenue would suffer an immense loss, and the commodities of India an alarming deterioration, in consequence of the smuggling which would unavoidably ensue, and become with private adventurers a principal occupation, throughout the coasts of the Empire: that this loss would be farther enhanced by the additional expence of collecting the revenue at the outports; and that the public would be disgusted by the legions of Custom House officers, whom it would be necessary to appoint for that purpose.

4. That, in return for so many risks to the safety of both Empires, the public would derive nothing beyond the speculative and delusive prospect of some uncertain and remote benefit; while the individuals, who, in their eagerness to discover a new resource against the pressure arising from the stagnation of commerce, seem disposed to overlook all obstacles, would find in the participation, so much coveted, of the Indian Trade, nothing but disappointment and ruin; it being absolutely incapable of that extension, which, from a lamentable ignorance of facts, they suppose private industry could effect.

In offering a detailed elucidation of these propositions, I may begin by remarking that the prevention of colonization has always, hitherto, been a great and leading principle in our Asiatic government; and that, unless some new light has recently broke forth to shew us that this grand measure of precaution has been founded in erroneous policy, it would appear to be the part of wisdom to continue in those paths, which have been so securely and prosperously trodden by our predecessors.

The division of the natives of Asia into numerous casts, and the principle of perpetuity which pervades this distinction, if one may so speak, constitute a source of security to the permanence of our East Indian Government, hitherto unparalleled in the history of the world; and, as there is no great probability that mankind will ever again be edified by a similar phenomenon, it is rather a pity that we should be in any particular hurry to adopt measures, which might prematurely destroy it. Here the maxim, so frequently in the mouths of politicians, of "divide and govern," pervades, in a practical shape, the population; and stands consecrated by the hand of time itself. Nor could there be a state of things better calculated to insure the happiness of a people; when, as in this instance, the views of their governors are invariably directed by a liberal, enlightened, and humane policy.

Here the facts completely coincide with the theory; for there is not in the universe a people

more happy, or less burthened, than those natives of Asia, who are under the dominion of the East India Company.

The division of the people of Asia into numerous casts, and the mutual repulsion of these casts, constitute a state of things, of which the influence upon morals, opinions, and government, appears to have been but seldom duly appreciated. To these circumstances, perhaps more than to all others, may be attributed the safety, amidst foreign wars, and intestine commotions, of the British possessions in India. And, while they exist, they will continue in a great measure to obviate the danger, which would instantaneously arise from the active operation of public opinion, when adverse, in so extensive and populous a country. Did the population of Asia resemble that of Europe or America, or indeed of any other portion of the world, it is obvious that the power of the sword would afford but a precarious security to the duration of British supremacy in the East. As it is, I do not see any possible event that can endanger the stability of this power, in so far as it may depend upon these circumstances, but such a mixture of foreign population (which could only arise from the tolerance of colonization), as would weaken, or obliterate these characteristic features of the native inhabitants.

It is true that this principle of perpetuity, or stagnation, if you will, has been regarded as a misfortune, by some very benevolent persons, who, in their



zeal for improvement, have wished to see the natives of India imitate, even in their dress, the natives of Europe. I remember to have heard an anecdote, to this effect, related of a very worthy *puisne* judge, of the supreme court of judicature in Bengal. As the first judges, who were appointed to India, were proceeding by water to Calcutta, perceiving some barefooted natives travelling along the muddy banks of the Ganges: "Brother Chambers," says Mr. Justice Hyde, "I hope, before you and I return to England, to see those poor fellows dressed in buckskin breeches and boots." Sir Robert Chambers, who, with equal benevolence, was a better judge of human nature, only smiled at the simplicity of his worthy colleague.

As on the permanency of this singular and truly characteristic feature, which distinguishes the population of the East, depends, in no inconsiderable degree, the duration of the British power in Asia, if it were practicable to assimilate in character the inhabitants of that country with those of Europe, I should applaud his philanthropy, rather than his wisdom, who should desire to see such an alteration speedily realized. Yet there does not occur to my mind any measure better calculated to produce that effect, unless a premium were offered to colonists, than that which is now in question. It will not, I apprehend, be denied, that in the progress of colonization, those leading traits of the Asiatic character, which tend so powerfully to secure to us their alle-

giance, would be gradually weakened, defaced, and obliterated. Nor can it be doubted that the danger to the existence of the British power in India would be equally certain, whether it should arise indirectly from a change effected in the character of the natives by colonization, or directly from the increasing number of colonists.

Every one conversant in history, knows that it is the common course of distant colonies, whenever they feel a sense of their own strength, to feel also an independence of the mother country, and to acquire the disposition to embrace the first favourable opportunity of throwing off their allegiance. India cannot be supposed to form an exception to this general rule; and I cannot well comprehend how any man, wishing well to both countries, and understanding their true interests, can venture, in the present political state of the world, to recommend the adoption of a measure, which could by possibility lead to their separation.

How far the measure of admitting private ships to the trade of India be of this description, is what we are now to examine. And I think it will appear manifest to the meanest capacity, that colonization, and the other evil consequences, which have been apprehended from it, would, especially on the extended scale recently suggested, be the inevitable results.

The connection between India and Britain, in their commercial, as well as political relations, is

essentially and in its nature different from any that has ever existed between other countries. Consequently, history does not afford us, in our reasoning, either parallel or analogy. With respect to the trade, or rather the navigation, which alone is at present in question, experience has shewn that regulation is as necessary to its well being, as laws are to the maintenance of social order. But this is altogether incompatible with the indiscriminate admission of private ships, in the manner proposed, to the trade of India. The great distance between the two countries; the immense extent of coast, which encircles the British territories in India: the numerous ports and islands, belonging to so many different nations, by which the course of the navigation is interspersed; would afford so many facilities to the deceptions and depredations of the evil disposed; so many temptations to those whose integrity is unconfirmed; and so many chances of eluding detection to those who may have committed crimes, that I should tremble at the result, both in a view of public morals and of public safety, of the gigantic experiment of freeing a commerce so vast and so singular in its nature, from those salutary restraints, under which it has so long increased and flourished. In the present convulsed state of the world, the rashness of such an experiment could only be equalled by its criminality.

The facility with which Ministers have yielded to the solicitations of those mercantile and manu-

facturing bodies, who have, in their dreams, expected to derive incalculable advantages from the trade to India being laid open to private ships, could alone have been founded on an erroneous belief that it is practicable to make regulations, in India and in Europe, which would obviate the dangers that are justly apprehended from that bold and extraordinary measure. But all men of experience on the subject, know that this expectation is utterly absurd. By what code of regulations, indeed, could adequate restraints be imposed on the conduct of persons trading to India, independent of the Company's control, and navigating ships not in their service? Respecting the Code proposed, which is to effect those wonders, we have hitherto derived no information.

Let us trace the probable progress of this new navigation.—A private, independent ship arrives at a port in India. She there discharges the whole, or such part of her cargo as suits her convenience; reloads; and proceeds (if the Eastern Archipelago be comprehended in the space which they are to be allowed to navigate) to some of the islands adjacent to China, to New South Wales, to the South-West Coast of America, to the Cape of Good Hope, or in short to any part of Asia, Africa, Europe, or America; even to France, or the United States, if at peace with this country: for it must be presumed that in the owners or supercargoes of such ships, not in the Company, or their agents, would remain

the right of directing their ulterior destinations. Let us suppose, what would very frequently happen, that the commanders, or supercargoes, were also the owners of such ships; and that, instead of embarking for any definite voyage, their view was to avail themselves of such favourable opportunities as might occur, of engaging in profitable adventures, without being very scrupulous about the means. Might not adventurers of this description, after having perpetrated the most flagitious acts, even robbery or piracy, against the natives of India, or other acts of a more public nature, affecting politically the interests of the East India Company, find impunity, or even welcome and protection, by taking refuge in France or America? Might not many such adventurers, under the pretence of commerce, act as agents for, and be regularly employed to convey to India the emissaries of the powers at war with this country, or whose policy in peace is adverse to its prosperity? This, as every one is fully aware of, who knows the nature of man, and the state of India, is not to proclaim ideal or imaginary evils; but to anticipate certain and indubitable results. If there are in this country men base enough to aid French prisoners in escaping from captivity, is it uncharitable to believe that there are others, who would convey the emissaries of that nation to our East India colonies; seeing that the chances of detection and punishment are so much diminished by the distance? What securities could the East India Company, or the na-

tion exact of the owners of ships, not in their service, especially those sailing from the out-ports, which might not easily be eluded? Supposing securities were exacted, even to the full amount of the value of the ship, in case of any misconduct during the voyage, what degree of safety would be found in this measure? In case of detection, the real or ostensible owners might evade the impending storm, by taking shelter in a foreign or hostile port; or they might choose to abide the issue, having insured compensation for the forfeiture, from the individuals or the governments, whose projects their vessels were serving.

These are consequences which ought to be sufficient, independent of the risk of colonization, to alarm men of reasonable and sober calculation. But when we reflect, that every one of these private ships might allow the whole of their British crews to quit them in India, to be replaced by Lascars, or foreign European sailors; or that, their discipline being necessarily inferior to that of the Company's ships, their crews might all abandon them; and that no precautions or restrictions, which it is possible to devise, can prevent these results in part; it must be obvious how rapidly the measure of laying open the Trade to India to private ships would accelerate the progress of colonization.

Nor could this progress be either prevented or impeded, as some have erroneously supposed, by any measures of the local governments, which

would not bear a character of despotism inconsistent with the state of society in that part of our dominions. Persons having made a losing voyage by trade (which would be the case with a great many, if private ships were allowed) would be desirous, with the very best intentions, of repairing their losses by a residence in India. Others, having offers of an advantageous settlement, might clandestinely or by connivance quit their ships. Some might be left behind from sickness, and some abandon their situation in disgust. The number of persons who, actuated by one or several of all these various motives, or determined by other circumstances of accident or of choice, would seek to better their condition by remaining in India instead of returning with their ships to Europe, would, it may reasonably be expected, frequently bear a considerable proportion to the whole number of the crew; and having procured themselves an establishment, how could the local governments, while they conducted themselves as quiet, peaceable, and loyal subjects, oblige these persons, without appearing excessively rigorous, or even cruel, to relinquish the establishments which they had obtained, and to return to Europe? We are here supposing the local governments to have the means of ascertaining all persons so circumstanced, a thing evidently impossible, without the introduction of a system of police inconsistent with all ideas of British Government. If it were even practicable, by the

strictest vigilance, to oppose at the commencement some sort of limits to the inundation of emigrants which would thus pour into India, it is evident that these limits could not be long effectual. The present restrictions being removed, the progress of emigration would increase in a geometrical ratio, the inducements to new colonists increasing in that proportion to the number of the old ones.

Of the effects that would result in this respect from laying open the Trade to private ships, some reasonable conjecture may be formed by contemplating the number of Europeans that have settled in India, from the Company's chartered ships, notwithstanding the strict bonds by which these are connected with their employers. In cases of irregularity the Company can withhold from the owners their freight; they can mulct the captains and deprive them of their commands; they can dismiss the officers from their service. But even the great power which the Company thus possess over the owners, captains, and officers of their regular ships has not always been sufficient to prevent their crews from forming a residence in India. How much more feeble then, or rather what a nullity would be their authority over private ships, of which the owners, commanders, and officers would, under the system proposed, be wholly independent of them?

But the emigration to India would by no means be confined to those descriptions of persons, who



might casually quit their ships in order to form a residence in that country. There are many circumstances, and among them the flourishing and secure state of the British dominions, which now more than formerly produce a tendency to the colonization of Asia. Those who went with permission, at former periods, to the East Indies, under the denomination of free-mariners, or who casually remained there and settled as merchants or traders, with licenses from the Company, invariably went abroad with the view, after having realized a competency or a fortune, of returning to spend the evening of their days in their native country. Now, however, that fortunes are not so easily acquired, and that the mode of living among Europeans in India is considerably improved, many persons, who would have gone formerly with the intention of returning, will proceed to that country, assured of the stability of the British power, with a design of making it a permanent residence.

Thus the British Empire itself, should this feeling extend, an effect which the measure in contemplation is admirably calculated to produce, might suffer an alarming depopulation: and it is no less reasonably to be expected that, under the existing pressure of war and despotism in other countries, an immense emigration would take place from almost all parts of the world, which would naturally concentrate in India, as being now the most favoured asylum of peace, security, and plenty.

This result could not fail to be further accelerated by the progress of events in South America, New South Wales, and other countries, which, from their position, would always, if navigation were unrestrained, have a considerable intercourse with the Company's territories: and the additional intercourse, upon the return of peace, of the nations now in hostility with us, would powerfully contribute toward the same end.

Upon the whole, in reviewing this measure in all its bearings, the conclusion which we are obliged to form is, that if the object intended were to encourage emigration to India, a better or a more appropriate plan could scarcely have been devised for that purpose, than that of granting *unlimited* permission to private ships to trade to that country. And how, I would ask, is the permission to be *limited*? If licenses from the Company should be deemed necessary, how can they, without the grossest inconsistency and injustice, be granted to some merchants and to some ship-owners, but refused to others? If they should *not* be deemed necessary, then every person in the kingdom, who has the ability and the fancy to embark in such an undertaking, may fit out a ship for India, and despatch her at whatever period he pleases.

Thus India would be colonized!

With respect to the effect which that result would produce on the permanency of its connection with Great Britain, no man, I should think, will be

hardy enough to deny that it would prove ultimately fatal; and the only difference of opinion, which could reasonably arise, would be respecting the precise period at which their separation would happen.

The next proposition is, that opening the Trade of India to private ships would be productive of irregularity, smuggling, depredations, and even piracy in the Indian Seas; that it would interfere materially with the Company's regular Trade to China, and even endanger the permanency of, or entirely interrupt, the intercourse with that country.

Under the system of Open Trade proposed, there is not a doubt that, in so vast a range of coast many opportunities would occur, in places to which British laws and British protection have not yet fully extended, of plundering, over-reaching, or otherwise mal-treating the mild and inoffensive inhabitants: and, although the natural love of justice would with many prevail over all temptations, yet there are others who would allow themselves to be seduced into acts of violence, treachery, or deception, which the facility of escaping punishment would render too alluring to be always resisted. However we may be advanced in refinement, I am not aware that, in respect to sound morals, the present times are much superior to what they were a century ago; and we know that, at that period, a regular system of piracy was organized by the in-

terlopers, who frequented the Indian Seas, to the great inconvenience and loss of the East India Company, and the imprisonment by the native powers, of their most valuable servants\*. Some of the piratical vessels, which then infested those seas, were even fitted out by British subjects, from New York, and other parts of America, then under our own dominion†. It is true, the present state of India by land, and that of our naval power in the Eastern Seas, would render such projects now much more hazardous. But if, from these circumstances, private adventurers should seldom be daring enough to venture upon absolute piracy, they would still have sufficient temptations and opportunity to commit minor depredations.

The injury which would arise from this source to the Company's China Trade is equally certain, but of much greater importance. It was a judicious precaution of the Court of Directors, with a view to the safety of this trade, to desire that private ships might be prohibited from having access to the Molucca Islands, or Eastern Archipelago. But even this restriction, although undoubtedly some

\* *Vide Bruce's Annals of the East India Company, Vol. III. pp. 204 and 210.*

† *Ibid, pp. 223 and 271.*

would, I apprehend, be but a very slender security against the danger. Private ships would find it profitable to bring home teas. The temptation to smuggle an article, which bears ninety-six *per cent.* duty *ad valorem*, is too great to be resisted, in the first instance, from the mere apprehension of remote detection and punishment. It is an evil which can only be resisted, *in limine*, by some such system of restriction as that which at present exists. And hence, it may be pronounced, without reserve, that to lay open the East India Trade to private ships would be, in other words, to lay the foundation of an illicit commerce, more extensive, and more injurious in its consequences, than any that has ever existed in the world.

Even were the ships of individuals prohibited from visiting the Molucca Islands, which however His Majesty's Ministers have shewn some reluctance to accord, encouragement would still arise to the exportation of teas and other commodities from China, to answer the demand occasioned by these ships. These commodities would find their way to some central ports in the Indian Seas, which would in such case become large depôts; and thus, from the inordinate profits which would attend each successful voyage, an immense and a regular system of clandestine Trade, would spontaneously spring up. It would not be in human ingenuity to prevent it. Neutral and hostile nations would think it their in-

terest to protect and encourage such a traffic: and this very circumstance might lay the foundation of new wars.

Whenever peace shall take place between this country and France (and war cannot be eternal), the evils arising from this source may naturally be expected to increase. It would be unreasonable to suppose that, at whatever period that event may happen, we shall be in a situation entirely to dictate the conditions of the peace, or that the enemy will not aspire to the restoration of his Asiatic possessions, at least the islands which we have recently captured, as equivalents for other objects, which he may be disposed to relinquish. In the event, then, of our being obliged to restore the Islands of Mauritius and Bourbon, would they not form very convenient depôts for Clandestine Trade? And, is it not highly probable that, with this very view, they would be declared free ports? Madagascar, Maunilla, and other places not within British jurisdiction, would also naturally become the resorts of such a commerce. We could not, if at peace with these nations, prevent French, American, Spanish, or Portuguese ships from bringing teas from China, for the purpose of lodging them at these depôts; nor the ships of our own private merchants from touching at such ports, in order to purchase those teas with the view of smuggling them into Great Britain, or some intermediate ports..

Upon the return home of those private ships the Azores, the Western Islands, the Madeiras, would afford convenient stations for carrying on this traffic to any degree: every part of the coasts of England, Ireland, Scotland, and Wales, would offer similar facilities: and, in the event of importation from India being extended to the out-ports, as *now* proposed, the most extensive and systematic smuggling could not be obviated by all the efforts of the legions of Custom-House Officers, supposing these persons to do their duty, whom the government might think fit to appoint.

Were importation even confined to the port of London, as *at first* proposed by Ministers, the coasts of Cornwall and France, the Islands of Jersey and Guernsey, would present to adventurers abundant opportunities of successfully carrying on an illicit Trade, on a very large scale.

But independently of these numerous facilities, so fertile in expedients is the genius of Trade, that places of rendezvous might, and no doubt would, be appointed, in different latitudes and longitudes, at which smaller vessels would be directed to wait for those of a larger size, in order to take charge of the clandestine part of their cargoes, to be conveyed to places where it could be disposed of with advantage, promptitude, and safety.

If, in the course of such voyages, these private ships should be occasionally captured, their clandestine trade seized, or their regular cargoes confiscated,

the mischiefs to the East India Company and to the revenue, would not thereby be in the smallest degree diminished. It would only be a transfer of property from the hands of the private trader to those of the crews of our men of war, or of the Custom-House officer. In proportion to the extent to which this clandestine trade might be carried on, whether the adventurers in it should be gainers or losers, would the profits of the Company and the revenues of the Crown be diminished?

With respect even to the fair private 'Trade, although it would not so much affect the revenue (it would, however, in no inconsiderable degree increase the expences of collecting it), the struggle which would take place, could not fail to prove injurious to the Company, although, in their corporate capacity, which has been given to them in perpetuity, they would of course surmount the competition of all individual rivals. In this rivalry, every honest private competitor would undoubtedly be ruined. But we shall suppose, for the sake of the argument, that the individual Merchants carrying on a fair private 'Trade to India, should prevail over the Company, what difference could it make to the Public, whether the Company or their private rivals, were the first to be ruined? One thing is quite certain, that it is the illicit 'Trader alone who would benefit by the change. And if the measure of admitting private ships, of all sizes, and from all ports, to trade to India, in defiance of all these



dangers, is to be carried into effect, I am of opinion, that the Bill by which it is to be enacted, ought to be denominated “an act for establishing, protecting, and extending illicit commerce between India and Britain.”

It is well known, that enough of tea for the consumption of the whole United Kingdom has always been supplied, in an unadulterated state, and at reasonable prices, by the East India Company; and that from this source has arisen their principal commercial profits.\* Let us now enquire what would be the effects upon these profits of admitting private ships to the Trade of India. An increased demand for tea, and a consequent rise in the price of that article, would immediately take place in China; while the competition of illicit Traders, by producing a superabundant supply, would occasion a fall in the price of the same commodity at home. Thus the profits of the Company would be unfavourably affected, by a double operation. The revenue, depending upon this source, it is obvious, would be almost wholly annihilated. And what would the consumer benefit by the change? While the abatement, which it would occasion, on the retail prices, could not be sensibly felt, even by the poorest persons in society, the sophistication, which would

\* Twenty-five millions of pounds of various kinds of tea is the average quantity sold at the Company's sales in the year.

in consequence take place, of an article become a necessary of life throughout the British dominions, would diminish the comforts, and might injure the health, of almost every member of the community. And thus, from a measure pregnant with danger to so many various interests, it cannot be said that a single incidental benefit is promised to the public.

The Company, crippled as they would then be, could no longer afford to export to China, as they have been accustomed to do, at an immense loss, to the annual amount of a million sterling of the metals and woollens of Great Britain. And thus, some of our best staple commodities, contrary to the fallacious expectations entertained by many of those who deal in them, would, instead of experiencing an increase, suffer, from the measure proposed, an immediate diminution of sale.

So assured, indeed, were the Proprietors of the Cornwall Mines, of the loss that would arise on the sale of their products in China, if exported on their own accounts, (and the same apprehensions would, of course, be entertained by private Merchants) that they thought proper to decline the liberal offer of the Company, to convey annually twelve hundred tons of their metals to that country, freight free.

The annual sacrifices thus made by the Company at the shrine of the public, particularly in respect to woollens and metals, they were enabled to bear, both by the profits of their homeward

cargoes, and by the mutual support which their territorial revenue, and commerce, afforded to each other. From their mixed character of Sovereigns and Merchants, they were enabled to effect, what it is utterly impossible that individuals, in their mere commercial capacity, should have the power to accomplish.

From all these considerations, it follows, that the plan of granting liberty to Private Ships to trade to India, even if they should be excluded from the Eastern Archipelago, is a certain, although an indirect, mode of depriving the East India Company of all the benefits of the China Trade; and may, eventually, deprive the inhabitants of these Kingdoms of one of the most essential necessities of life;—an article, which scarcely an individual from the throne to the cottage can now dispense with, and which chiefly administers to the subsistence of the very poorest classes of society.

If the Moluccas, indeed, were to be included in the tracts, which Private Ships are to be permitted to navigate, the ruin of the Company's China Trade would be considerably more direct and rapid; and the danger of the deprivation of Tea to the inhabitants of these Kingdoms much more imminent. These Islands, as stated by the Deputation of the Court of Directors, “ would hold out irresistible temptations to lawless European Settlement, enterprise, and adventure, before which the Company's China Trade must sink, as this maritime resort

would certainly become the very focus of dangerous and illicit intercourse with the Continent of India."

As this private trade would of course be carried on by a species of adventurers, who would not be much disposed to restrict themselves either to legal, or moral means, in order to render their voyages profitable, they would not, if it should appear to them to be conducive to that end to proceed into the China Seas, think it necessary to pay a very scrupulous regard to the limits that might be assigned to their destination by the New Charter. In this manner, an indefinite number of unconnected Europeans, with views of the most irregular kind, would find their way to the borders of the Chinese territories. We know how suspicious that government has always been of strangers; how indifferent in general to foreign intercourse; that they even banished the Europeans, at one period, to Macao; and that it is only by the great influence of the East India Company, and the regular conduct of their Servants, that their Ships are allowed to visit Canton, and their Supercargoes to reside there, during one part of the year.

What, then, would be the consequence of that sort of intercourse, which might be expected to take place, between the natives of China and Europeans of the description I have just mentioned, after the regular Ships, and the accredited Authorities, should leave Canton? Nothing but disorder; and the ultimate exclusion of all Europeans from

China! An event, that would involve in its consequences, four millions of revenue!—a million of export!—the employment of a large fleet of most excellent Ships, each of warlike equipment!—the ruin of private Speculators!—the palsying of the functions of the Company!—and, the deprivation of an article, which has now become to all ranks of British subjects, a necessary of life!

The Commercial intercourse between China and Russia, by land, it is well known, has, upon similar grounds, been frequently interrupted. This happened in 1785; and the communication was not reopened till 1792, being a period of seven years.\* This measure has always originated with the Chinese Government, by whom the orders for shutting and re-opening the communication, between the two countries, have usually been issued several months before they have been made known to its subjects by the Government of Russia.†

\* This has been represented by some as a period of war between Russia and China. But we have never heard of battles between Russian and Chinese Armies. And it appears most reasonable to believe, that commercial irregularities were the sole ground of the interruption of intercourse, which took place, at this period, between the two nations.

† *Vide Affidavits of Joseph Fawell, in a pamphlet entitled, "The Right of every British Merchant to trade within the Geographical limits defined by the Charter of the East India Company, vindicated, &c." By T. Lee—p. 71—73.*

We come now to consider the effects, which this measure would have upon the revenue. It has been already stated that the loss to the public revenue of this country, in the event of opening the trade to India to private Ships, would be in the direct ratio of the illicit Trade, which, under colour of this Commerce, might be carried on. The quantity of Tea at present imported being quite sufficient for the consumption of the inhabitants of these kingdoms, it must be obvious, that an additional importation would not necessarily be accompanied by an additional consumption. But the increased supply, from illicit Trade, would occasion a diminution of the quantities sold at the Company's sales, and of the prices; and thus, in two ways, effect a diminution of the revenue. It can scarcely be necessary to observe, that the expence of maintaining the legions of Custom-House Officers, whom it would be

The author of this Pamphlet thinks it would be quite expedient and just, to deprive the East India Company of the exclusive privilege of the trade to China, on the ground of some misconduct which he alleges against *their Agents* in that country.

Another writer, on the same side, after having roundly pronounced the *present* Company incapable (from their long experience I presume), very gravely assures us that a *new* Company (without any experience) would be much better qualified to conduct this trade!! And he proposes that this *inspired* Company should pay one million a year to government!!! So much for the opponents of the Company.

deemed expedient, under the system proposed, to appoint to the out-ports, would operate a farther diminution of the revenue; and that it could not fail to be otherwise very obnoxious to those, who are of opinion that the increase of all such appointments, by unduly augmenting the influence of the executive power, must trench upon the principles of the constitution.

But even at the price of this additional odium and expence, it would be so impracticable to prevent, or even to oppose a barrier to smuggling, if ships were permitted to unload at the out-ports, that it would almost of necessity become the principal occupation of the individual adventurers, who might engage in the East India Trade. The fair individual trader could not long successfully compete with the Company, who would of course continue their commercial operations, in their corporate capacity, as long as they were not an entire loss, or until, by the irregularity of the interlopers, the communication with China should be entirely stopped. One of the inevitable effects of the competition between the Company and the fair private trader, operating in conjunction with the high duties upon Tea, would be to render smuggling, with all its risks, by far the most gaining trade; and, "in fact, however covered or disguised, it would become the *principal object*."

Under the system in question, then, even in the limited shape originally proposed, it may very fairly

be maintained, that all the regulations which, the utmost extent of human ingenuity could devise, would not be sufficient to prevent smuggling, as it would be the most lucrative, from becoming the principal object of those, who should embark in the East India Trade. And there can be still less doubt that the evil would be farther aggravated, in as far as it is capable of aggravation, by the ulterior projects of allowing access to Private Ships to the Molucca Islands, and entrance into the out-ports of these Kingdoms ; but more especially by the admission into the trade of vessels of inferior burthen.

Such vessels could, in India, go into minor ports, and more easily form connection with the natives ; and their intercourse, and consequent irregularities, would be such as neither the vigilance or power of the Indian Governments, would be able to discover or controul. On their return, they could enter the small ports of England, Scotland, and Ireland, and easily elude the vigilance, or purchase the connivance of the Custom-House Officers.

That his Majesty's Ministers should not have felt the force, and admitted the validity of the irrefutable arguments adduced by the Deputation of the Court of Directors, against admitting vessels of this description to a participation in the India Trade, is to me extraordinary, and almost unaccountable. On this subject, the deputation express themselves in the fol-



lowing terms:---“ In short, if a mere chance *outward*, for the sake of smuggling *homeward*, was the speculation and the object of adventurers, undoubtedly small Ships would best answer their purpose; but if an honourable commercial intercourse with India was the object of Government, it could only be maintained by Ships of a respectable size, and suitable equipment as to stores and force, under the conduct of able and *responsible* commanders and crews.”

That the size of the ships, and the respectability of their equipments, are of importance, in a political, as well as in a commercial view, is evinced by the different degrees of respect paid to the Company's regular ships, and to those of the American traders, in the Eastern Seas. The large ships of the Company, equipped and disciplined as they are, and navigated by gentlemen of education, rank in society, and nautical skill, command respect, and insure obedience, from the natives of India. But should a rabble of vessels, of all sizes and denominations, be admitted to the Indian Seas, it requires not the gift of prophecy to foretell that, with much immediate mischief to the Company, and almost the annihilation of the revenue arising from the regular trade, their course will be marked with irregularities and crimes, that will bring indelible disgrace on the British character and name in the East, and lead eventually to the

interruption of all intercourse with the Chinese Empire.\*

But farther, the whole of this measure appears to me to be a departure, on the part of Ministers, from their implied agreement with the East India Company, which professed to found the renewal of their Charter, on the principles of the Acts of 1784 and 1793. It is also, in its two ulterior ramifications, a complete deviation from the principles upon which the negociation between Lord Melville and the East India Company, had begun and proceeded. It is even directly repugnant and contradictory to his Lordship's consent to the sixth proposition of the Court of Directors, namely, that "the whole of the Indian Trade should be brought to the *Port of London*, and the goods sold at the Company's sales."

'This mode of proceeding, would seem to convey no very unequivocal intimation that the East India Company are not considered as possessing any rights, beyond what may suit the views of expediency of his Majesty's Ministers, for the time being, to permit them to retain; although I do not imagine that such a proposition will be asserted by them in terms. Of this, more hereafter. ‡

\* Since the above was written, this point appears to have been abandoned by his Majesty's Ministers.—*Vide Papers respecting the negociation for a renewal of the East India Company's Exclusive Privileges*, p. 170. .

But even if the East India Company were deemed to possess no positive rights, the evils which the Court of Directors have shewn, by a series of the most enlightened reasoning, founded upon their long experience, and an intimate knowledge of facts, must result to the Company, to the revenue, and to the Empire, from the meditated change, ought, in my opinion, to be sufficient to induce Ministers to pause, and reconsider their determination. It behoves them to reflect, that, unless they can call into their service a degree of ingenuity that is altogether supernatural,---by which the prevention of colonization, and of smuggling, can be rendered compatible with permission to Private Ships, of all sorts and sizes, to trade to India, and to enter the out-ports of these Kingdoms,---they will subject themselves to the imputation of making a rash and ill-considered experiment, of yielding to a senseless and unfounded clamour, and of courting a hollow popularity. If, besides, it should appear that the East India Company are actually possessed of positive rights, it would be to incur a dreadful responsibility, to introduce innovations, *prima facie* no less injurious and unjust towards that great body, than in their immediate and obvious consequences, palpably pregnant with calamity to the whole Empire.

It is difficult not to be persuaded that, in this matter, Ministers, as they cannot be supposed to have meditated the ruin of the East India Company

by a side wind, have not acted from conviction; but that they have allowed their better judgments to be borne down by the clamours of certain petitioners, who know not the consequences of what they are demanding, or that they have timidly yielded to a presumed necessity arising from the pressure of the times. This, however, is matter of little consequence; for we are not enquiring into motives, but effects. The laying open the trade to India to the out-ports, has been aptly denominated a question of existence with the East India Company. But it is also calculated to affect no less vitally that portion of the public revenue, which depends upon the regular India Trade: and, in its ultimate consequences, even the integrity and safety of the British empire. On this question, his Majesty's Ministers have shewn much inconsistency. They expressly declare their conviction, "that the great interests of *policy* and of *revenue*, as well as of the *East India Company*," require, "that the *existing restraints* respecting the intercourse with China should continue; and that the exclusive Trade in *Tea* should be preserved to the Company." Yet the direct, and almost immediate effect of the measure, which they *now* propose, would be, according to the best judgment of those who have most knowledge of the subject, to destroy every vestige of those exclusive privileges, which they thus admit to be necessary to the policy of the Empire at large!

It has already been fully demonstrated, in the celebrated Letter of Messrs. Grant and Parry, and in the subsequent correspondence of the Court of Directors with the Board of Controul, and is indeed universally acknowledged by those who are acquainted with the subject in all its bearings, that the continuance of an exclusive trade to China, or even of intercourse with that country, is altogether incompatible with the admission of private ships to the trade of India, especially if their burthen should be discretionary, if they should have access there to the Molucca Islands, and to the out-ports of these Kingdoms upon their return.

It is in fact the opinion of many, that should this measure, with its various ramifications, be persisted in by Ministers, it would be utterly impossible that the Company should go on for any length of time: and that it would be much more advisable now to begin to wind up their concern, than be obliged to do so a few years hence, under still more unfavourable circumstances, and with more impoverished means.

It has been shewn, that the immediate consequences of the competition, which would arise, not so much from the fair as from the clandestine trader, under colour of this commerce, would be, an abridgment of the Company's sales, and a sinking of their finances. Events which would soon be followed by the necessity of relinquishing their great establishments; of laying up their vast fleets, now the means of transporting troops and stores, as well as of de-

ending their commerce; and of abandoning their buildings, wharfs, warehouses, and other articles of dead stock, formed at a prodigious expence, and suited only to the Indian Trade, which had so long been their's, all of which would, in such case, become useless and deserted! With the decline of the Company, would be thrown out of activity and employ, twenty-one millions of capital, 1400 commanders and officers, 8000 seamen, 12000 tradesmen, 3000 labourers, and seventy-eight of the finest ships in the world, many of them fit to take their station in line of battle with the British Navy!

The practice of using the *port of London* only, for the East India Trade, which has existed since the first institution of the Company, has been productive of advantages too numerous and too well defined to admit of being relinquished upon the mere presumption of uncertain or remote benefits. The custom of selling their imports, at stated periods, by public auction, has been nearly coeval with the Company. These sales are open, honourable and satisfactory; and are resorted to, with confidence, by the Merchants of the Continent of Europe, as well as by those of Great Britain. So high indeed is the character of the Company with foreign merchants, that purchases have been made by them "on the faith merely of the descriptive marks; and goods (thus marked), on their arrival on the Continent, frequently pass through various hands, before they are finally unpacked." The in-

juries and frauds, to which an alteration in this mode, consecrated by the practice of centuries, would necessarily give rise, may be readily conceived.

For the security of the revenue arising from the Trade to India, as has been well observed by the Deputation of the Court of Directors, “ nothing so effectual could be devised as to bring the *imports* to one place ; to have them lodged under the keys of the Government Officers; to have them sold publicly in the presence of those officers; and finally to have the duties (upwards of four millions *per annum*);\* thus carefully ascertained, collected through the medium of the Company, and with *hardly any charge* to government! In short,” say they, “ the present system affords the most complete provision that can be imagined against defect, fraud, or expence, in realizing this branch of the revenue to the Public.”

Although we may not be able to say to what precise degree the measure of laying open the Trade to India to private ships, might, in its least noxious operation, immediately affect this branch of the public revenue ; there can be no doubt that, by the partial fulfilment of the evils apprehended, it would be considerably injured, and by their total fulfilment destroyed.

\* £4,213,425, according to the returns of last year.

It cannot, independently of these considerations, supposed to make any difference to the East India Company, whether the Trade to India be carried on exclusively from the port of London, or from that of Bristol, Liverpool, or Glasgow; or indiscriminately from all the ports of the United Kingdom. But, since the dangers to be apprehended from the innovations proposed, are as obvious and as well founded as they are great and alarming, it is a duty which that body owe to themselves and to the nation not to submit to them without a struggle.

Accordingly, it was with a spirit fully justified by the occasion, that Sir Hugh Inglis, the present Chairman of the Court of Directors, in a conference with Lord Buckinghamshire, declared it "as his opinion, that the Court of Directors, in the first instance, and the Court of Proprietors, when laid before them, would resist, by every means in their power, a measure so fatal to the vital interests of the Company and to the public revenue as would be the measure of allowing the ships of individuals to import into any place but the *port of London*;" adding, that "situated as he was, he should consider it his duty to resist, and to recommend to the Court of Directors, and ultimately to the Proprietors, to resist the proposition."

And this overwhelming ruin, it seems, is to be brought upon the East India Company, and those connected with them, not only without the offer, but without the smallest chance or prospect of indemni-



fication. Nay, after they should have suffered themselves, as a matter of right, to be tamely despoiled of their commercial, they might prepare to surrender their territorial privileges at discretion. Into the nature of their rights to both, and to consequent indemnity upon the deprivation of either, I shall take occasion more fully to inquire.

And for what beneficial purpose, for what grand object, is this sum of ruin, or even the risk of it, to be incurred? In order (supposing the best, and that the communication with China should not be interrupted), to transfer the *same* quantity of oriental commerce from London to the out-ports, and from the East India Company to private Merchants! These are the sole objects for which such mighty innovations are now to be attempted; for which a concern that has subsisted for ages, and so succeeded as to be the wonder and envy of the world, is to be subverted and destroyed: and that too on the instigation, or hypothetical reasoning of persons, who erroneously expect, to procure to themselves extraordinary advantages, from a participation in the Trade of which they would deprive the Company.

The only result of any importance to the Public, which we are promised from this innovation, is altogether visionary and fallacious. It is well known to those who are acquainted with India, that the Trade, in European commodities, to that country, is wholly, or almost wholly incapable of being ex-

tended. The reverse of this proposition, which is the very first point to be adjusted in this controversy, has been invariably taken for granted, instead of being deliberately examined and decided: and upon this flimsy foundation has been raised the flimsy superstructure of the advocates of what has been called the "Open Trade."

The manufactures of Great Britain, which are annually exported to India, are almost exclusively consumed by the Europeans resident in that country: and until these become much more numerous than they are at present, which can only happen in consequence of colonization, the demand for such articles cannot be extended, but in a very inconsiderable degree. This incapability of extension, which depends upon the peculiar, and almost unchangeable character of the natives of Asia, is a fact too notorious to admit of being denied, or explained away by the abstract reasonings of political economists. To the state of India, at least, their principles cannot for ages apply. This has been set forth, in a clear, satisfactory, and convincing manner, by Messrs. Grant and Parry, in their Letter of April 1809, and in the correspondence of the successive Chairmen of the Court of Directors, since that period, with the President of the Board of Controul, on the subject of the renewal of the Company's Charter. Referring the reader, who wishes to be fully acquainted with the details, to those very able

documents, I shall content myself here with stating a few simple but strong facts, which, in my humble apprehension, it is impossible to reconcile to a contrary conclusion.

Of the three thousand tons *per annum*, which the Company are bound, by the act of 1793, to retain for the accommodation of private traders, not above 1200 tons annually, on an average of eighteen years, have been claimed, or little more than one third: and of this 1200 tons, 430, or more than one third, were wine and beer, which articles are consumed by Europeans almost exclusively.

Had there been a demand for any greater quantity of goods than is annually exported by the Company, by the commanders and officers of their ships, and by the private traders admitted under the act of 1793, amounting in all to about two millions sterling, the remainder of the tonnage allowed to private traders by that act would surely have been claimed. This, by the genius of commerce, I hold to be conclusive evidence.

That this tonnage was not claimed, then, shews demonstratively that there has not been, since 1793, an increasing demand, to any extent, for the European articles of consumption, used either by the European or native inhabitants of India. Those consumed by the natives, it is well known, are few and inconsiderable. With such, however, as they have occasion for, they are abundantly supplied by the

agency of private traders, resident in the East, whose industry embraces all the ports, to which the commerce of the Company does not extend. This, when carried on by sea, is called the country, or coasting trade. But it also extends its ramifications by land, to the most minute portions of the interior of Asia. And the knowledge and experience of those concerned in it would surely leave nothing of any great value for rivals, fresh from Europe, to explore.

It has been a grievous accusation against the East India Company, that they have neglected to cultivate the trade to several parts within their limits, and prevented the export of our manufactures to "some of the largest and richest regions of the world," where, say the complainants, "there is reason to believe the private merchant might, in the course of an open trade, increase his profits *twenty-fold and upwards*." The parts here more especially alluded to, are the Eastern coasts of Africa, the coasts of the Gulfs of Arabia and Persia, and the shores of the Red Sea. But, besides the proofs arising from the recorded efforts of the Company, even in early times, to extend the sale of British manufactures in those quarters, a sufficient refutation of this charge is to be found in its absurdity. Were it even possible to believe that the East India Company would have been so blind to their interests, as to have neglected a commerce, which would have

increased their profits "twenty-fold or upwards," it could never be credited that the same indifference to their worldly concerns would have affected the individual traders of the East, unless it be also believed that the climate of India possesses the quality of lessening, or destroying the ordinary cupidity of man. Of late times at least, these traders have existed in sufficient numbers to pervade every nook and corner of Asia: and it is not very probable that all of them would have overlooked so favourable an opportunity of speedily making their fortunes. It is notorious that all the attempts, which have been made, to extend the sale of European commodities in India, formerly by the Dutch and Portuguese, at all times by the East India Company, and latterly by American private traders, have failed. Where the efforts of the merchants of those several nations, both in a corporate and individual capacity, and possessing the benefit of great experience, have so long and so uniformly failed, by what species of magic is it that British individual traders, without experience, can now be expected to establish a lucrative trade?

The Americans, who eagerly explored every avenue to trade in India, were only able, in the six most flourishing years of their commerce, to export to that country £667,634 in merchandize and manufactures, including those of their own country; while, in bullion, they exported during the same

period £4,543,662.\* As the profits upon goods, had there been a demand for them, would have been much greater than on bullion, that the quantity of bullion was seven-eighths, and of goods only one-eighth of their whole exports to India, affords an incontrovertible inference that for the latter they found little or no demand. The reason is quite obvious. The consumption of European commodities is almost exclusively confined to European residents. The Company export annually upwards of a million sterling of goods and stores, the commanders and officers of their ships nearly half a million more, and the private traders, admitted by the act of 1793, about £400,000. This supply, amounting to about two millions annually, appears to be adequate to the demand of all the Europeans in India; and the market is even frequently over-stocked. At the present rate of the increase of European inhabitants, this commerce can admit but of a very inconsiderable and a very slow extension; a shackle not to be removed but by a worse evil, the admission of European colonization in India.

It has been already shewn that the almost unchangeable character of the natives forms a lasting, if not an insuperable, bar to any considerable or rapid extension of the sale of European manufactures

\* Vide Papers respecting the Negotiation for the renewal of the East India Company's exclusive Privileges, p.

among them. Consequently it cannot be matter of surprize that the experiment of sending unusual quantities of European goods to India, as if the demand could be increased in proportion to the supply, should have failed, as often as it has been tried ; always bringing along with it the ruin of the adventurers.

This experiment was made as far back as the time of Cromwell. Individual speculators, and associations of merchants, as Courten's Association, the Assada merchants, and the Merchant Adventurers, traded to India, at that period, under licences or commissions from the Protector.\* The progress and the fate of these speculations were uniform. They injured the East India Company, by raising the price, and creating a scarcity of goods in India, as well as by importing a superabundance, and lowering the value of them at home. The competition also occasioned a glut of European goods, and consequently a loss upon them in the Indian market. And accordingly these adventurers were all either ruined by their speculations, or, in order to avoid ruin, forced to seek an union with the East India Company.†

In the same manner was terminated the career

\* *Vide Bruce's Annals of the Honourable East India Company, Vol. I. pp. 435 and 508.*

† *Ibid. Vol. I. p. 572.*

of other bodies of men, who subsequently entered into competition with the East India Company. From the time of Queen Elizabeth to the end of the seventeenth century, the commercial rights of this body were, at various other periods, as well as in the time of Cromwell, violated in the most scandalous and illegal manner. They were opposed by licenses from the Crown to private traders, contrary to the Charters and Privileges, which the Crown itself had granted; and those private traders, in sharing all the benefits of the commerce, were exempt from every charge or expenditure for establishments at home and abroad. By a still more outrageous violation of their rights, several years before the expiration of their Charter, a new Company was established, towards the end of the seventeenth century, under the denomination of "the *English East India Company*;" when the original Company, for the sake of distinction, assumed the title of "The *London East India Company*." After a struggle of several years, which materially injured the original Company, and almost wholly ruined the new one, this, like all former rivals, was obliged to seek its safety in an union. And hence arose, in 1707-8, that splendid body which now exists, under the appellation of "The *United East India Company*."

The history of the rivalry of these two Companies, before their union, and of the fate of some private speculators, who, under the constitution of



the new Company, had claimed a right of trading on their individual stock, both illustrates and confirms the fact, that competition in the East India Trade ever has been, and, while the character of the natives of India remains unaltered, must continue to be productive of loss to the adventurers, without being attended with a single essential benefit to the public.\*

An experiment with similar, but more decisive results, was made in 1788-9, from Ostend, by persons, among others, who had been in the habits of dealing, as tradesmen, with the Commanders and Officers of the Company's Ships, and who might be supposed to have acquired a knowledge of the nature of the business in which they were embarking, at least considerably greater than can be possessed by the Merchants and Manufacturers, who have recently been petitioning the Legislature for permission to send Ships to India; or, in other words, for permission to ruin themselves, and to injure the East India Company. This trade was carried on under Imperial colours. And it must be in the recollection of every one, who was then in the Company's Sea Service, of every person who was resident at any of the Presidencies of India, and in general of all men of observation at that time connected with the East, in common with the

\* For the history of this rivalry, see *Bruce's Annals of the Honourable East India Company, passim.*

suffering adventurers, what an extensive scene of ruin ensued. Many kinds of European Commodities were sold at from 50 to 75 *per cent.* discount ; and even at that price but a very small quantity of what was imported could obtain a sale. The Commanders and Officers of the Company's Ships, and all others who were regularly engaged in the trade, were deeply injured by the competition of these interlopers ; and most of themselves were irretrievably ruined. I recollect hearing of one case, in which the product of the cargo was said not to be sufficient to pay the freight from Ostend ; and the payment of it was successfully resisted in the Supreme Court of Judicature in Calcutta, on the ground of the transaction being illegal.

We have at this moment before our eyes an example of something similar in the fate of the commercial adventurers to Buenos Ayres, and other parts of South America. Although the impediments to the extension of sale for European Commodities, are not, in that country, either so complete or of so permanent a nature as in India, it is but too well known that most of the adventurers, who recently embarked in that trade, have been impoverished or ruined by the speculation ; and that the manufactures of this country are now daily sold at auction at very reduced prices. Yet the expectations that were generally entertained of the immense benefits that would immediately be derived from the opening of so vast a field to commercial in-

tercourse, as the Continent of South America, have even been greater than those which were formed from an Open Trade to India. There is, however, this wide difference between the two cases, that, with respect to South America, there were no public interests to balance, no privileges to infringe, no rights to invade, no property to violate, before the private trader could have permission to ruin himself, if he pleased. Nay, there being no law to that effect, he could not be prevented from trading with South America, except by the constituted authorities of that country.

There are also other instances in point. At various periods, it has been deemed expedient to allow ships built in India to export cargoes of Rice, and other Commodities, to Britain. And the Commanders and Owners of these Ships being persons of experience, not choosing to invest cargoes here, upon which they would suffer an undoubted loss in India, have generally preferred returning in ballast.

In 1798, when Government, owing to the scarcity of grain which then prevailed, gave encouragement to private Merchants to send Ships to India for Rice, those who availed themselves of that liberty, were considerable losers by the adventure. And it afterwards cost Government a large sum of money to indemnify them.

Thus, by the uniform results of all the experiments which have been made, the impossibility of

giving any considerable extension to the trade to India, appears to be placed beyond a doubt. What then would be the consequences to the adventurers themselves, naturally to be expected from permitting an unlimited intercourse with that country, by private ships? One of the most immediate consequences would be that goods to the amount of perhaps twenty times more than there is a demand for, would be exported from Great Britain to India. Of this amount, nineteen-twentieths would remain on hand, to be returned to Europe at a double expence of freight and insurance, or to rot in the warehouses of India; while even the one-twentieth, for which there might be a demand, would, from the glut in the market, necessarily be sold greatly below prime cost. It must be, therefore, by singular caution and singular intelligence, or extreme good fortune, that any of the private adventurers, who might rashly embark in such a traffic, should escape being ruined. The Commanders and Officers of the Company's Ships, and consequently the tradesmen with whom they deal, would largely participate in the general calamity. Even the Company could not fail to suffer essential injury from so disastrous a competition. With respect to the Manufacturers, they would remain unpaid, to the extent of more than nineteen-twentieths of the goods sold, unless the adventurers could pay them out of their private fortunes. And all these evils would be unaccompanied, and uncompensated for, by any ul-

timinate increase in the quantity of British Manufactures consumed in, or exported to, India. On the contrary, in some instances the exports might be expected to diminish. The article of Tin, for instance, which the Company have usually exported at a loss from Cornwall, might be procured at Malacca, Banca, and other parts of India, at a cheaper rate, for the supply of the China market. And with respect to Woollens, what individual Merchants could, or would, like the Company, sacrifice £.50,000 annually, on this article alone, in order to encourage to the utmost the manufactures of the country? These are sacrifices, which, if the trade were laid open to private Ships, the Company could not be expected, even if they were able, to continue.

Supposing the intercourse with China, notwithstanding this measure, to remain uninterrupted, and the usual quantities of these articles to continue in demand, could the gentlemen of Cornwall and the manufacturers of Woollens, rationally expect from private adventurers equal liberality in prices, or punctuality in payments, as they have always experienced from the East India Company? Most certainly not: but, on the contrary, confusion, disappointment, and loss to all parties would inevitably ensue. Many years must elapse, and an extensive scene of ruin take place, before the trade, thus circumstanced, could find its level; i. e. before it could return to its original state. It is, therefore, obvious

that the distresses of the mercantile and manufacturing bodies, which it seemed in part to be the professed intention of this measure to relieve, would be thereby highly aggravated.

I shall here cite a few historical facts, which will aptly illustrate the pernicious consequences, on the markets both in India and Britain, which must flow from the unlimited intercourse of private Ships between the two countries. They will also incidentally shew the incapability, arising from the allotment of certain casts of the natives of India to particular occupations, of increasing the products of industry in that country, to correspond with any great or sudden increase of demand.

'The Merchant Adventurers, who, in 1656-7, traded to India, under licenses or commissions, from Cromwell, in writing to their Commanders and Factors, on the low state of the markets for Indian produce in England, informs them " that the number of disconnected interlopers, or private Merchants, had much increased; and that they had brought home great quantities of Indian Commodities, of *inferior* quality, particularly Cottons, Drugs, and Spices, which had *overstocked the market*." \*

'They are also complained of in their turn by the Servants of the Company. For we are told, that

\* *Vide Bruce's Annals of the East India Company.—Vol. I. p. 521.*

“ the interferences of the supercargoes and shipping of the Merchant Adventurers *had rendered the purchase of investments almost impracticable* : these private, but *now authorized* traders, had brought out large quantities of English Goods, and sold them *below prime cost*, and with the money, with which they had been entrusted, had given *high prices* for such Indian articles as they had collected.” \* These are the complaints of the Company’s Servants at Surat.

From Fort St. George, they complain that the Merchant Adventurers had “ sold their European imports at *low rates*, and bought Indian Articles at *advanced prices*, which had rendered it impracticable to conform to the orders of the Court, to purchase an investment of the finest goods, that would yield a profit to the proprietors. The Ships of the Adventurers had touched, and made purchases at the ports of Negapatnam, Porto Novo, and Tranquebar, and, by exorbitant prices, had drained the country of goods ; which had reduced the Presidency to the necessity of purchasing such Coast Cloths, and such proportions of Pepper and Spices, as could be collected at Bantam, to make up a small investment for Europe.†

These extracts abundantly prove, that, under a competition of private speculators, the Indian mar-

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\* *Vide Bruce’s Annals of the East India Company, Vol. I. p. 523.*

† *Ibid. p. 525.*

kets were glutted with European Goods, which, it being impracticable to extend their consumption, were sold below prime cost, to the loss or ruin of the importer. That these private Merchants bought Indian Commodities at exorbitant prices, and drained the country of goods; shewing that a considerable increased demand for the Manufactures of India cannot be quickly supplied, but by a deterioration of their quality. And that, with these goods, they overstocked the European market. By each of these three operations, those adventurers must be presumed to have lost; and, by their competition, to have occasioned a loss to the East India Company, as well as, by their inability to discharge their obligations, to have injured the tradesmen, with whom they might have dealt on credit in this country.

Now, until the character of the inhabitants of India shall have undergone a considerable alteration, a similar competition must again produce similar results. Were the trade to India laid open to-morrow to private ships, the effects of that measure upon the markets, both at home and abroad, would necessarily be almost precisely such as have been described. To all who might be concerned in this traffic, it would be but a competition for priority of ruin; and without the consolation of a single incidental benefit arising from it to either country.

With respect to Great Britain, in a view of the balance of trade, I cannot help thinking that these



changes, in so far as their influence might go, could not but be unfavourable. The benefits to India would be but partial and trifling, as they would be limited to those particular tribes, who manufacture the fabrics in demand; and these advantages would be more than counterbalanced by incidental evils. The number of these manufacturers could not be increased on any emergency, and consequently their supply could not be augmented to the level of an unusual demand, but by the deterioration of their commodities. Colonization, or a change from other causes in the character of the natives, must make considerable progress, before we can expect to see the use of machinery introduced among them. Yet some of the petitioners for *the right of open trade*, at the last renewal of the Company's Charter, solicited that the natives of India *might not be allowed the use of machinery*! Such is human consistency.

The objections already urged against the admission of private ships to trade from Britain to India, will of course apply, with equal force, to the admission of private ships, built in India, and not in the Company's service, to trade from India to Britain. This interference would have precisely the effects upon the markets of both countries, which have been already described. Ships of this description would experience much difficulty in finding cargoes for Europe; and they would be obliged to return to India, with scarcely any other

article than specie, and ballast. It is true that in years of scarcity in this country, ships built in India have, by special permission and encouragement, been allowed to import rice to England. But, even under these unusual circumstances, they were suffered to unload at the port of London only ; they were all of a certain tonnage, and their cargoes were sold at the Company's regular sales ; by which means they were rendered, in a considerable degree, subject to the jurisdiction of the Company.

The fate of the adventurers, who might embark in this speculation, excepting in so far as they might be secured by the profits of a rice cargo in a period of great scarcity, would be similar to those, who might fit out private ships from Europe. As far as they might confine themselves to a fair trade, they would be losers both by the outward and homeward cargoes : and they could only to a certainty calculate on the amount of their freight.

Thus, without any public benefit either to India or Britain, the immediate and obvious consequences of the measure in question, would be a grievous injury, and injustice to the East India Company ; an enormous loss to the British revenue ; the ruin of every individual who might engage in a competition of fair trade ; an irresistible encouragement to smuggling ; and detriment to the consumer, by the certain deterioration of all the commodities of the East.

From this immense change, the illicit trader

alone would derive benefit. By the retail consumer, the fall in the price of the commodities of the East in Europe, and of the commodities of Europe in the East, although sufficient to ruin the wholesale importer, would scarcely be felt as an advantage. With respect to the commodities of India, the difference would be more than compensated by the deterioration to which every article would be subject, in India from the competition in the market, and in Europe, in passing through the hands of the clandestine trader, or in the progress of irregular sales. At present, the consumer has the certainty of procuring articles of unquestionable goodness, and at a price unquestionably fair, at the Company's public sales. How differently might he be served, if cast for his supply upon the cupidity, specious pretences, or chicane, of thousands of individual importers and dealers? With respect to tea especially, the revival of smuggling might be expected again to introduce, as formerly, a spurious, fraudulent, and deleterious article. From such a change, then, the consumer, or the public, in Great Britain, could not be in any degree benefited, but might be considerably incommoded.

With respect to European commodities, the diminution of their retail prices, which a competition would occasion in India, although attended by irreparable loss to the wholesale importer, could be no object to the wealthy European inhabitants of that country, who are their principal consumers.

Nor can the trifling diminution in the price of

tonnage, which might take place in consequence of admitting private ships into the trade, be an object worthy of consideration to the importer or consumer, were not the measure otherwise fraught with the dangers, which have been so fully set forth. This will appear from a comparison of the freight paid by the East India Company, with that which was formerly paid to private ships from Ostend.\*

I shall not insist here on the facility, which would arise from the admission of private ships to the trade of India, of clandestinely supplying an enemy with salt-petre in time of war, or on the approach of war, both because it is too obvious to require elucidation, and because the temptations would be notoriously too great to admit of prevention.

From all that has been said, I trust it has been rendered evident, that the benefits which some mercantile and manufacturing bodies, in this country have promised to themselves, from the admission of private ships to the trade of India, is nothing but a mere delusion, and a delusion too of the most dangerous kind. If, however, it could, on the contrary, be shewn, that such a measure would be attended with the most unequivocal advantages to these bodies of men, with what colour of justice, or of decency, it may be asked, could the East India Company be on that account deprived, without a compensation, of that most essential portion of

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\* *Vide Bruce's Report of the Negotiation between the East India Company and the Public, &c. p. 63.*

their privileges, which has been shewn to be the safeguard of the remainder?

Upon the subject of the rights of the Company, much misapprehension, and some designed suppression of the truth appear to have taken place.

Some of the advocates for an Open Trade, have chosen to represent the expiration of the Company's exclusive privileges, as the termination of a lease, or the repassing of rights back from the East India Company to the Nation. This is, however, by no means a just analogy, or a fair representation. The privileges of commerce, and the right to territory in the East, were not originally *vested* in the Nation, and therefore could not, as a matter of course, be resumed by it. They are *acquired* by the wisdom, and the treasure of the Company; and by the valour of their armies. They were, consequently, not of the nature of a leasehold property, which, at the expiration of an appointed period, reverts to the owner, and may in justice be disposed of by him, for another term of years, to the highest bidder. The property of the Company is more of the nature of a freehold, which cannot in justice be taken away, but for the essential accommodation of the public, distinctly and unequivocally ascertained, and that by a regular process fixed, if not expressly by law, at least by the acknowledged principles of the laws of this Country. These laws require, that, when the owner of an estate is to be deprived of any part of his property, for the benefit and convenience of the public, as in making high roads and bridges,

he should be amply indemnified, and that by the verdict of a jury of his countrymen. Now this verdict must, in justice, be founded on what it may rationally be presumed the property would bring to the owner at a fair sale. This analogy, although correct as far as it goes, is however, by no means complete. For where can we find a jury capable of estimating, upon any ascertained or familiar principles, the value of the East India Company's territories, and of the trade which depends upon them? We may, indeed, form some faint idea of their value by supposing what would be bid for them by the crowned heads of Europe, if set up to public auction. The price offered, we may readily conceive, would be immense; and such would be the only just criterion of their true value.

But what indemnity has been offered to the Company for the exclusive privilege of trade, or rather of employing shipping, to India, of which it is now proposed to deprive them? Has it never, for a moment occurred to those Petitioners who are so anxious for participation in their trade, that its existence depends upon the territorial dominion and influence of the Company; that it has cost them immense sums to establish it on its present extensive and flourishing scale; or that it might not be unreasonable to offer them some small compensation for the privilege which they were required to relinquish? This privilege I hold to be their undoubted property, as much as their territories in India, or

their freeholds in Britain ; a property of which they cannot justly be deprived by any power or authority, without an adequate remuneration. But what can be an adequate remuneration, short of the whole value of their property, for that part of it, by the relinquishment of which it has been shewn that all their remaining privileges would be, not simply endangered, but certainly lost ?

Were it, however, agreed that the East India Company should be in the first instance fully indemnified, for their territory, trade, and property of every denomination ; and were a jury appointed capable of estimating upon fair grounds, the value of that property ; it would next be necessary to consider from what sources the Crown, or his Majesty's Ministers, could draw the amount required for the purchase, having, moreover, first proved the utility to the public, of the intended transfer, before they could, in justice or propriety, propose that the Company should be deprived of their exclusive privileges.

It is, I believe, universally admitted, that the Company have a positive and absolute right to their Forts, Factories, Warehouses, Docks, Ships, and Stock of every denomination ; and that these were all acquired precisely in the same manner in which they acquired their Territory and Trade ; *i. e.* by labour, negotiation, or purchase. Now, it would be a curious position to hold, and I should like to see the arguments, or to hear the authorities by

which it might be supported, that they have not an equal right, or that they have no right at all, to those different kinds of property.

With respect to the Sovereignty of India, which it has been asserted that the Crown has the right, without any public necessity, and without an equivalent, to *resume*, or more correctly, to *appropriate*, let me ask whether it was upon such a principle that the Duke of Athol was divested of the Sovereignty of the Isle of Man? No. A regular negociation took place, and he was paid £100,000 for it! And if the Sovereignty of the Isle of Man be estimated at £100,000, what may be the value of that of British India? These considerations might have merited some little attention.

That the Legislature have the power, without any public necessity, and even without remuneration, of depriving the East India Company of that part of their exclusive privileges, which has been shewn to be the bulwark and support of the remainder, as they are supreme, I do not question. But as they are just, I should be infinitely surprised, if a mere clamour, not even popular, but arising from the misguided selfishness of a few commercial and manufacturing bodies, could have the effect of inducing them, whatever may be the decision of his Majesty's Ministers, for a moment to entertain the notion that so dangerous, or rather so fatal a measure, can possibly be expedient.



While the evils which would inevitably result from the measure of laying open the Trade to India, in the manner proposed, are obvious to every one, the benefits, which would arise from it, are considered as doubtful by the best informed upon the subject, even of the very Ministers who have proposed it. That Lord Melville is against the measure of admitting the ships of private Merchants into the India Trade, appears sufficiently evident from the following paragraph of his Letter to the Chairs, dated the 20th of March, 1812:—" You will do me the *justice* to recollect, that in all our discussions on this subject, both recently and on former occasions, the admission of *the ships* of Merchants in this country into the trade of India, in concurrence with those of the Company, has never been urged as a measure from which much immediate benefit would, in my opinion, be derived, either to the *country*, or to the *individuals* who might embark in the speculation; and I certainly am not without *considerable apprehensions* that at least, on the first opening of the Trade, the Public expectation as to the British territories in India affording any considerable outlet for British manufactures, beyond the amount of our *present exports*, may be *disappointed*." This declaration, although expressed with the reserve of a statesman, distinctly manifests the opinion of that Minister who must be presumed to be the best acquainted with the affairs of India. And the removal of Lord Melville, shortly after the date of this.

letter from the Board of Controul, as well as the extension of the permission to private ships to sail from and to the out-ports of this Kingdom, which had never till then been proposed, are no unequivocal proofs that, in respect to this extraordinary measure, he was overruled in the Cabinet; and that he did not find it consistent either with his own dignity, or with his implied engagements with the Court of Directors, any longer to remain in a situation in which he could neither support the one or fulfil the other.

His Majesty's Ministers must have been aware, that they could not, with safety to their situations, have proposed, in a direct manner, any essential change in the territorial government. To transfer it to the Crown, as has been sometimes talked of, or to vest it in Commissioners for life, as once proposed by Mr. Fox, would at this day be almost universally reprobated, as fraught with the most dangerous consequences to the Constitution of the country. Ministers have therefore deemed it most expedient, under the inadmissible conditions already stated, to propose to leave the territorial government of the Indian Empire, as at present, under the immediate management of the East India Company, through its executive organ, the Court of Directors. It would also be dangerous, they found, to disturb too openly the course of the China Trade: and this too, for that reason, they have proposed, apparently, to leave to the Company. It does not indeed appear,

that, independent of necessity, considerations of justice have been allowed any weight in favour of the claims of this great and powerful body. It seems rather to have been the determination, that the Company should be ruined, either indirectly, by the acceptance of conditions, which would eventually occasion the loss both of their trade and territories, or directly, by a rejection of them, which would supply Ministers with a pretext of transferring to the Crown the power and the patronage of India.

It could scarcely, I think, have been imagined, that the East India Company could have thought it a boon to be allowed to retain merely that portion of their privileges which it might suit the fluctuating expediency of his Majesty's Ministers to leave to them; or that they could receive with deference and submission, any conditions which they might be pleased to annex to their introducing into Parliament a proposition for the renewal of the Charter.

On the contrary, I am well persuaded there is not, at this moment, an individual Member of that Body who would not much rather relinquish at once the whole of their privileges to the Public,—stock, territory, buildings, shipping, and trade,—at a fair valuation, than to have their Charter renewed, for an additional period, in a mutilated and unsafe state. But it was not meant that a choice should be left them; and it is now intimated, not in very measured terms, that Ministers will not on any

other conditions than those they have already stated, propose to Parliament a renewal of their Charter.

It will then remain to be seen whether the Company have no means of introducing into Parliament a measure for the preservation of their rights and privileges than through the medium of his Majesty's present Ministers. If not, it must be admitted, that the affairs of the nation are to be regarded as henceforth entirely dependent upon the will and pleasure of the servants of the crown.

Much has been said, by the opponents of the Company, of the absurdity of Merchants being sovereigns; of their being plunged in debt and approaching towards ruin: and of the government of India being a solicism in politics,—an *imperium in imperio*.

For the truth of the remark, that their interests as Merchants have been not only perfectly compatible with their interests as sovereigns, but that these characters have respectively aided each other, we may adduce the high authority of the late Lord Melville, than whom no man of his time had a more complete knowledge of the affairs of India. “By the commercial capital of the Company at home,” says this able statesman, “acting in connection with the public revenues under their administration abroad, they have mutually aided and administered to the wants of each other; and the result has been, the fortunate achievement of those brilliant events, upon the success of which depended the *existence* of the

government, the territorial wealth, and the 'Trade of India.'

During the whole period of the present Charter, the political has been invariably debtor to the commercial concern of the Company. But they have also mutually aided each other. As the territorial revenues have been frequently applied to purposes of commercial investment, so have the returns of commerce been rendered subservient to military and political operations.

With respect to the debt of the East India Company, when it is considered that their permanent debt in India and in Europe is only between 28 and 29 millions;\* that the population of their territories is 60 millions; and the gross annual revenue 16 millions; it will appear comparatively small, and even insignificant. It is only at the rate of 10s. a head for each individual of the population, while that of Great Britain is at the rate of £60 a head; being as one to one hundred and twenty. The East India Company's affairs, then, so far from being in a state to create despondency, as has been so frequently and so erroneously asserted, may be said to be in a most flourishing condition. The actual state of their territories is such as to leave no apprehensions of expensive or permanent hostility with

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\* £28,614,174.

the native powers; and Lord Minto, the present enlightened Governor-General, has recently conveyed to the Court of Directors assurances of his confident expectations, not only of bringing the expenditure within the income, but of realizing a large surplus revenue beyond the ordinary expences in time of peace. From all this, it appears most manifest, not only that the apprehensions of the insolvency of the Company, so often expressed in and out of Parliament, have been either wholly feigned, or have arisen from a total ignorance of their real situation; but that, on the contrary, they are in a state not to be shaken, but by some great and unexpected convulsion, or by the adoption of some such destructive measure as that with which they are now threatened.

Since 1793, both the population and the revenues of the Company's territories have been almost trebled\* and the duties on their Import Trade to Britain have augmented in at least a similar ratio.† Their annual exports from this country are now £2,320,000; their tonnage 101,797 tons. If this

\* In 1793, the revenue of India, on an average of three years, amounted to £6,897,730.—Bruce's Report, &c. p. 47. It is now sixteen millions.

† In 1793, the Duties on the Company's Import Trade exceeded one million (Bruce, p. 46): it now exceeds four.

be impending ruin, it is of a nature of which it is not usual to complain.

As to the system of Indian government being an *imperium in imperio*, which must mean, if it means any thing, that it is incompatible with the constitution with the constitution of this country, I would ask, were any defence necessary, are not the British laws extended to the inhabitants of India, in as full a measure as their situation will allow? Are they not as well administered even as at home? And is not the condition of the natives of that country, who are under the dominion of the Company, as enviable as that of the inhabitants of any portion of the globe? I will add more so: and those persons would not be their friends, who might advise that the highest parts of the British constitution, should be prematurely extended to them.

I am not aware that any objections worthy of notice, to a renewal of the Company's exclusive privileges, for another term of years, have been left unanswered. I do not, however, think that, in the course of the discussions which have taken place on this subject, the Company's rights, and the injustice of violating those rights, without a palpable benefit to the public, and a full indemnification to themselves, have been always sufficiently insisted on. At no period of the monarchy, from the granting of their Charter by Queen Elizabeth, to the protectorate of Cromwell, nor even by that usurper, were

the Company's rights to their forts, factories, or privileges of trade, called into question.\* Nor does it appear how, by the subsequent extension of territory and trade, which they effected, their rights to these possessions can be presumed to have, in any manner, diminished. This question has however, since that period, been carefully kept out of view ; and the Company have been treated, at the different æras of the renewal of their charter, as a body, who had no rights or privileges, but such as His Majesty's Ministers, for the time being, might choose to leave to them, upon receiving a valuable consideration for the exigencies of the state. They have been treated as candidates for the renewal of a lease, having scarcely any superior claims to other bodies of men, who might bid equally high for the privilege of being constituted an East India Company. In this manner, contrary to all right and justice, was a second East India Company at one period formed, for the sake of a temporary accommodation in money to government ; and the competition nearly proved the ruin of both. The violation of the Company's rights, by illegal licences to individuals, and associations, was also no unfrequent occurrence in their history. But the plan which is now meditated of depriving them of that privilege, by which alone

\* Vide Bruce's *Annals of the East India Company*, Vol. I. p. 572.



they can deem their other privileges secure, I cannot but consider as a no less unjustifiable, and a much more dangerous violation of their rights, than any that has ever before been attempted.

As it is evinced by facts, so it is by the authority of eminent names, that the Government and Commerce of India are incapable of being separated, but at the imminent risk of destruction to both. Lord Melville, in his Letter to the Chairman and Deputy Chairman, of the 28th December, 1808, says:---“ I have not yet heard, or read any arguments against the continuance of the system under which the British possessions in India are governed, of sufficient weight to counterbalance the practical benefits which have been derived from it, in their increased and increasing prosperity, and the general security and happiness of their inhabitants.” On the same subject, the late Lord Melville, whose opinion on such matters is entitled to the highest deference, thus expresses himself, in a Letter of April 2, 1800:---“ I remain equally satisfied as to the propriety of continuing a monopoly of trade, (by this is meant as to *ships*; for as to *goods*, a monopoly did not exist) in the hands of the East India Company. Those who maintain the reverse, appear to me to be misled by general theories, without attending to the peculiar circumstances of the trade they are treating of. Viewing it even as a *mere commercial* question, I believe this proposition to be a sound one; and if the trade were

laid open, the supposed advantages thence arising are at best very problematical, and would certainly be very precarious and short-lived. *It is, however, totally to forget the question, to treat it as a mere commercial one! The same principles which prove the necessity of the monopoly of Trade. The Government and the Trade are interwoven together!* And we have only to recur to a very recent experience, to learn the immense advantages which have flowed from that connection of Government and Trade."

The Chairmen of the Court of Directors had, three years ago, pointed out to the President of the Board of Control, that the effects of the innovation proposed would "amount to the destruction of the Company's Indian trade, their Indian Commercial Establishments, their Indian Shipping, and finally leave the China Monopoly so insulated and unsupported, as to bring that down also, and with it the whole fabric of the Company."

But what have we on the other side to counterbalance those strong facts, those incontrovertible inferences, and those high Authorities? Nothing but the vague and hypothetical reasonings of men, who erroneously conceive that they would themselves be benefited by a participation in the trade to India, It is, then, earnestly to be hoped that Ministers, if such indeed be their motive, will not "persist in this ruinous submission to known com-

bination, and over-bearing importunity ;” or at any rate, that the “ wisdom of Parliament and the justice of the nation will reject those rash and violent innovations, evidently suggested from a deplorable ignorance of facts.”

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THE  
SUBSTANCE OF THE SPEECH

OF .

WILLIAM HARRISON, ESQ.

BEFORE

*THE SELECT COMMITTEE OF THE HOUSE OF  
COMMONS,*

ON

**East India-built Shipping.**

ON MONDAY, APRIL 18, 1814.

SIR ROBERT PEEL, BART. IN THE CHAIR.

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(SIR ROBERT PEEL, BART. IN THE CHAIR.)

*Mr. Harrison appeared as Counsel for the English Ship-builders.*

I HAVE endeavoured to avail myself of the time which has been given by the committee to compress this case as much as possible, and with the assistance of the learned gentleman with me, Mr. Adolphus, and the solicitor, whose general intelligence and particular knowledge upon this subject is so well known, I shall be able to bring this question within a much narrower compass than has generally been conceived; at the same time, the committee must be aware, that both with reference to the private interests which I represent, and also the public interest, and with reference to the consequences which, I think, I shall establish must follow from this bill passing into a law, it is by much the most important question which has, within my recollection, been brought before parliament. I have no hesitation in saying, that I think it of more importance than the question which continued so long under discussion in this room last year—that it involves larger national interests, and greater political and general consequences, and questions much more deeply connected with the safety and prosperity of the country in every respect than the question last year, as to the monopoly of the East India trade.

Sir, it is incumbent on me to shew, that the gentlemen I repre-

sent are affected, deeply affected, by this bill; that they are in a condition to present themselves before you as petitioners, from the nature of their situation, and the effect this bill will produce upon their interests; that they have claims on the public attention, from the assistance they have afforded to the national establishments; that nothing has occurred in the management of their trade, or in the manner of their giving assistance to the public, to exclude them from the benefit of these claims; and that there is no general policy which justifies this interference with their business. I will also shew, that if it is a question of comparison between those interested in the building of ships here, and those interested in the building of ships in India, there is no doubt that those who are interested in building ships in this country have superior claims to protection; that no danger can arise from permitting them to carry it on as they have done hitherto; but, on the contrary, public necessity, public interest, the state of our navy, the future ship-building throughout the kingdom, and all those circumstances which call for your attention, imperatively demand that if it is necessary that the present laws should be altered, they should be altered to give them additional protection; that this is the line which parliament must take, and that instead of enacting any thing to prevent the ship-builders in this country from carrying on their trade to the same extent as hitherto, it is absolutely necessary that the navigation acts should be so altered as to exclude from the trade between India and Great Britain any ships built in India as British registered ships. I state it broadly, largely, and generally; because I am satisfied, in the course of my address, and in the course of the evidence I shall offer, I shall establish to demonstration, and beyond contradiction too, that they are entitled, not on their own account only as individuals—for individuals' interests must always give way to public policy—but on grounds of public policy itself, which imperiously demands, that the India shipping should be excluded, that the building ships there must be confined to the local trade of that country, and must not be allowed to interfere with the ship-builders here.

Sir, in order to make out this case, I must proceed to shew what is the nature of the establishments for ship-building in the river Thames, upon what particular trade it is they have hitherto maintained those establishments, and kept them up to their present extent, how they have been interfered with by ships being permitted to come from India, what effects must be produced if this bill passes into a law; and, in order to shew the consequences that will arise, I must also exhibit to the committee the situation in which these gentlemen have stood in affording the assistance they have to the navy of Great Britain in time of war, and the importance they are of to the very existence of the navy in time of peace, which will prove that they cannot be interfered with without danger. If it is said it is necessary for the purposes of the navy that

ship-building should be suffered in India for the saying of timber here, that is not justified by the fact, or by policy: it is not true, as it is supposed, that there is a scarcity of timber; and the policy, if the fact did exist, is against permitting ships to be built in that country, for that would end in the destruction of the timber, which is the foundation of your future ship-building. I shall contrast the situation legally of the gentlemen interested in ship-building in India, with those interested in ship-building here, and shall state practically their situation, so as to shew that policy demands, if it proves to be, as it will, a question between the individuals—I say policy makes it necessary, that those who were in possession of it here should be protected in the enjoyment of it, and that it should not be allowed to pass to another country.

Thus I have stated the line in which I mean to argue—the grounds I generally take—and if I allude to topics of national law or policy, or any subjects which may at first appear wide of the points immediately under consideration, I hope the committee will give me credit for their being necessary to be touched upon to arrive at the conclusion I wish, and which it is my duty to bring the committee to, namely, the necessity of protecting my clients. In doing this I shall avoid particular details; and having taken great pains to endeavour to compress this subject into as narrow a compass as the nature of it admits, I shall not detain the committee at any great length. I am not in the habit of doing so generally, nor shall I now, though its importance would justify it. I shall treat it on those broad grounds which I have stated, and which will enable me to compress it within the shortest space of time it is possible such a subject should occupy.

Now, sir, I shall proceed to the first point, the nature of the establishments of these gentlemen, the ship-builders on the river Thames. It will appear from the papers what the number of ships built in the river Thames, for the service of the India company for carrying on the trade with India, has been. The committee will also find “an abstract of some preceding accounts of the ships built in the river Thames from 1795 to 1813, both inclusive, for the East India company’s service, and for the merchants’ service, distinguishing each.”

Before I comment on those papers, I should just generally state that the business, if I may so call it, of ship-building in the river Thames has been principally supported by the India trade; that though the establishments of ship-building in the river Thames build for other purposes, yet those who have been concerned in building the great vessels employed in the India trade, and those applied to from time to time by the government, to assist in keeping up the navy of Great Britain, have relied on the building of ships for the East India trade; and they contend, notwithstanding the alteration which has taken place with respect to the trade in India, that as that trade must necessarily employ ships of a

considerable size, which is obvious from the nature of the trade, and the regulations, of the act of last year, which requires that the trade shall be carried on in ships of not less than 350 tons, that no alteration in the nature of the trade will deprive them of the advantage they have hitherto possessed of building the larger vessels concerned in it: therefore, if they have depended upon it hitherto for their support, they have a right to look to it hereafter. That they have depended upon it hitherto, will appear by the documents, namely, that in the interval between 1795 and 1804, the average building per annum, during those ten years, was seven ships in the year for the East India Company's service, and I will shew that this employment was of a description to enable them to keep up their establishments, even under the disadvantage of the India company having refused to take ships built on speculation; which makes a very material difference in keeping up the establishments. It will appear from one of the papers from the outports, that a great many ships are building on speculation there; and it is obvious, that where they can build those ships, they can be more economical than where they are to build on contract: on the same principle, that a great builder, for the purpose of being ready at all times to undertake repairs, will build a house on speculation, by which he keeps his workmen employed; and it is a benefit to him, if, during the period of his so employing his men, he produces enough to keep them in pay and keep up his establishment: he is, as far as his establishment is concerned, remunerated, if he brings himself back. Every thing he may make beyond the cost he may take as profit; but it is an advantage to him if he makes no profit at all. But under the disadvantage of not being allowed to build ships on speculation, because the East India company would not take them (though built under the inspection of their surveyors), but insisted on ships being laid down after contract, even then, and under that disadvantage, they carried on the business of ship-building in the river Thames in such a way as to keep some thousand men in constant employ, in their various occupations, in building and repairing such ships.

The committee will observe, that from 1805 to 1814, the last ten years, the average has been two ships a-year; and, for the purpose of completing the observations I wish to make on this document, I would now beg leave to refer the committee to another document, by which the committee will see that there is one solitary vessel, and that a frigate, at this moment building in the yards of the river Thames: that therefore the average of the ten first years was seven large ships; that the average for the last ten years was two ships; and that at this moment there is but one, and that a frigate, which has no connexion with this trade, nor with the observations I am making as to the case now before the committee. I think, I am justified in stating, when I have proved these documents, that I shall shew to the committee, that the ship-

building establishments on the river Thames have been supported and maintained by the great trade carried on in the large vessels between this country and India; that as the trade is to be carried on in those large vessels in future, they have a right to look to that trade for employment; and that the reduction of their trade has already produced the effect of reducing their men from between three and four thousand, which was the number they formerly employed, to about two hundred and fifty men now in employment in the river Thames: on that I shall have to comment when I come to further parts of the case.

Now, sir, it may be said, that this proof amounts to nothing, if their trade has fallen off from other causes than the introduction of ships from India. I admit it; and therefore I shall go into the circumstances of their establishments. In one of the papers there is a passage to which I beg the attention of the honourable members: they will find that ninety-eight ships built in nineteen years in the river Thames for the East India company's service, averaged 1007 tons each, and five hundred and forty-two ships, vessels and river-craft, built there in the like period, not for the East India company's service, averaged 76 tons each; that the vessels built in the port of London for the East India company, from 1795 to 1804, were seventy-seven ships, making 76,127 tons; from 1805 to 1814, twenty-one ships, making 22,590 tons, making the decrease of building of East-Indiamen in the Thames since 1804, fifty-six ships, and 53,557 tons. Now, how is the decrease supplied? The committee will find, in one of the papers, "an account of the number of ships built in India, and admitted to registry in London, from 1794 to 1813, and of some others admitted to entry, but not registered." The first account is of ships admitted to registry, seventy-six, the tonnage 47,475; the second account is of ships admitted to entry, and not registered, eight, and the tonnage 9003: the total is 84 ships, 56,478 tons." The result is, that in proportion as the building has fallen off in the river Thames, it has been supplied directly by the tonnage of vessels brought from India, which have carried on the trade from India to this country; and I deduce from that an argument, that all which has been taken from us has fallen into the hands of the builders on the other side of the water, that it has been an actual transfer of the ship-building to that extent from this country to India; and I shall prove, in the course of the observations I shall have to make, and the evidence I shall afterwards bring, that this bill passing into a law to make it legal for the large vessels built in Asia to carry on the Indian trade will be attended with the annihilation of every one of these establishments, and transfer to that country all the ship-building, and end in the ruin of every one of the establishments of the gentlemen who are one set of the petitioners, namely, the ship-builders in the river Thames.

Now, sir, it will be necessary for me, after having stated what is the nature of their establishments, and how they have been

principally employed hitherto, by what supported, and in what way they have fallen off within a certain number of years, to advert to the situation in which they have stood, nationally speaking, in order to shew, when I have laid a foundation, by stating their individual case in point of loss, the claims they have on the national protection, and the importance they are of with respect to the existence of the navy. Whether it is or not a judicious policy to build men of war in the merchant yards, has been a subject of great discussion; and I have no doubt honorable members must recollect a very distinguished speech made by a noble lord, formerly at the head of the Admiralty, upon that subject, (and no one was considered as better understanding the nature of the great duties of his situation,) I mean Lord Melville; however persons might differ upon other points as to that noble lord, there is, I believe, an universal concurrence of opinion with reference to his knowledge upon the subject of the department then under his care, and the use and benefit he was of to the country at large, in his care and protection of it, and of the seamen of this country. In that speech there was a most able detail of the absolute necessity which might arise from time to time, and on various occasions, of resorting to the merchant yards to assist in building and repairing ships which would be required on all great pressures, when the country was called upon for exertion, at various periods of war. It would be improper in me, on a subject of such general discussion, to go into any details stated in that speech; I have made those general observations upon it for the purpose of assuming that occasions have arisen, and will arise, in which it has been and will be absolutely necessary to the existence of the country as a naval power, that there should be establishments of a great description with respect to the nature of the vessels they are capable of building, the size of their establishments, and number of men employed, ready to be called on by the public to assist in a case of sudden emergency. to put the navy into such a condition as to meet the exigencies of the times. It was proved to be necessary then, and it may be necessary hereafter.

Upon this subject, both with reference to the situation in which the gentlemen I represent are as to the building large vessels for the East India company's service, and with reference to the assistance they have afforded to government in the establishing the immense navy we have from time to time employed, some prejudices, unjust prejudices certainly, have arisen as to their conduct: it has been stated broadly and largely, in many instances, that, instead of affording assistance, they have only burthened the country with expense; that ships have been built by them only to tumble to pieces; that they have been put into dock before they have sailed from one side of the kingdom to the other; that by the ships they have built for the use of the navy being badly constructed, they have been productive only of expense to the public, and therefore have no claims on the public gratitude or protection, on any ground of that description. I will, shew to the

committee that this is not the case; and, if it is necessary, we will shew that all the complaints which have been made on the subject of ship-building of late years, with respect to particular vessels having failed, apply to the full extent, and equally under similar circumstances, to the navy-board or his majesty's yards; and in neither instance do I admit it is a fair foundation of any improper remarks being made on the persons who have the conduct of the naval yards or private yards, where they are built, because I can shew that some of the failures have taken place from causes having no connexion with the improper construction of the vessels so built. I will shew to the committee, by distinct and positive evidence, that from the manner and course of employment of those yards, it is impossible to ascribe the fault to the private builders employed: to build the men of war, they come under specific contracts as to the way in which they are to be built. The time a vessel is to stand to season is at the discretion of the navy board, the person contracting is bound to obey their order in that respect. However important it may be to him to disengage his slip, that he may build another vessel in its place, he is bound to keep her as long as the officers of government in their discretion think fit to direct. With respect to the timbers, how she may be constructed, the time of her putting up, and all other circumstances, as to seasoning, are conditioned for at the time of the contract, in the way the navy-board think necessary for the purpose: the navy-board may keep a vessel two years, instead of six months, to season, if they think it necessary. The vessel, while building, is superintended by a surveyor appointed by the navy board for that purpose; he is present at the whole operation: the orders of the private builders are, that his directions are to be attended to immediately, he is, in fact, the efficient builder; the persons belonging to the yards performing only the modelling and putting together under the directions of the navy board. The plan of the navy board is implicitly followed, and that under the superintendence of the person appointed by them. I think, therefore, under these circumstances, if any vessel has been built under the superintendence of that person, he conceiving that six months' seasoning or four months will be sufficient, if a vessel under these circumstances has been launched sooner than she ought to be, or would have been by the builders themselves, in their own discretion, that it would be unfair to impute to them as a fault that a vessel did not last the time it may be said she ought. The same accidents have happened in the public yards; but I do not impute misconduct to the persons concerned in those establishments, because a circumstance of this kind happened, any more than I should say, that because the dry rot got into a house, therefore the builder ought not to be employed again: such things will occur in the management of great operations of this description.

Sir, it has also been said that the gentlemen for whom I appear lose part of their trade because they carry it on so expensively;



that they charge, so exorbitantly, that they have lost their trade by their own fault; that the competition against them has been produced by their compelling those who would otherwise be glad to employ them, to look out elsewhere; and that they are sufferers from not having conducted their business properly; that they have driven persons to other builders, and therefore they are not intitled to appear as petitioners to parliament for protection. Under the circumstances I have stated, I will endeavour to shew that this assertion is unfounded, and that what is called the difference of building at the outports and in the Thames, is not such as is supposed. I will prove that, to the present moment, the gentlemen who have the establishments on the river Thames have sustained their character for superiority; and though it may be true, that, with respect to some things, they do charge more than persons at the outports, they charge it in the same way as every individual engaged in manufacture does, because they have maintained the character of doing their work better, and putting in better materials, and turning out articles of a superior description; and that the addition to the expense is one that is compensated for by the superiority of the work performed; but with respect to the building of vessels, there is a difference which is imaginary, with reference to the tonnage of vessels of this description. The measurement of the tonnage is made in a particular way: it is produced by taking an assumed length of keel from her extreme length and her keel, and not the actual keel, then multiplying the keel by the breadth of the vessel, and the product by half the breadth, and then dividing by 94, and from these data calculating the tonnage of the vessel, the effect of which is, that a vessel built in the outports with a greater breadth of beam, in proportion to depth, is said to measure 500 tons, and carries 500; but in the Thames they have been required to build upon a different construction, and the result is, that a vessel built on the Thames which is measured 500 tons, will often carry 550, and it is well known that the Indiamen of 1200 tons burthen, often come home with upwards of 1400 tons of cargo. Then, if the vessel is contracted for upon the mere measurement of the tonnage, it is not fair to say a ship built on a construction to carry a larger tonnage is so much dearer when she is a more burthensome vessel.

Sir, there is another peculiar circumstance which I shall prove, in order to shew the character ships built in the Thames have maintained. Some of the committee know that there is a regular account kept at Lloyd's coffee-house of all the trading vessels in the kingdom, with a view to enable persons called upon to undertake insurances, to ascertain the nature and character of the vessels they are required to insure; and the register is kept by letters and by numbers; and A 1. is the highest class of registry into which all vessels built on the Thames go, and into which new vessels built in the outports are put; but I will shew that so far from the vessels built in the river Thames being inferior to other vessels, they maintain their rank of A 1, and afterwards in the succeeding classes, longer than any other vessels. Their durability, therefore,

is established by shewing that, under the survey of persons employed by the underwriters at Lloyd's, competent to judge, (and considering the money at stake, the gentlemen at Lloyd's take care that this survey is conducted in a manner to insure a correct account), the durability of the vessels built in the river Thames is proved, by shewing how long they stand in the highest classes in Lloyd's book, as compared with other vessels: if there are any others built, under accurate inspection at the outports, they are exceptions, for it will be proved, that the vessels built in the river Thames remain longer in the class A 1, and keep their station in the higher classes, in proportion to their length of service, longer than others.

Now, if the committee will take the fact I have mentioned as to tonnage, and the fact I now state, with reference to their durability, and consider all these circumstances together, they must be satisfied, that the imputation attempted to be cast on the builders on the Thames is unfounded; that it cannot be said they carry on their trade in a way to lose it; and that the losses have originated in themselves, and not in consequence of the causes which, I say, will end in their destruction. We will shew, not only with respect to their situation for the purposes of insurance, that they are better, but that they sell for more when put up to be sold;—that a vessel built in the Thames of a certain number of years, compared with another of the same age, fetches a larger sum; and when it is known that the persons who are to buy, and the persons who are to employ and to use them, are led by no circumstances but those of interest, the facts which I now state are conclusive, to prove that the ship-builders of the Thames have not been the authors of their own misfortune. I shall therefore deduce from these circumstances, that the falling off of their business, and the reduction of the number of men, the loss of building from seven ships in a year down to *not one*, has originated from the India built ships which have been allowed to come to this country from Asia; and that the permanent establishment of those ships in the Indian trade must end in the annihilation of the business of ship-building in the Thames.

Now, sir, having stated these general circumstances, I am perfectly ready to admit, that whatever may be the situation of these gentlemen with respect to the size of their establishments, which are very great, as honorable members know, comprising immense capital, whatever may be the weight of that private interest, or whatever claims they may have, yet, if any grounds of public policy required a different arrangement with respect to any part of the navigation laws, they must incur the hazard and endure the sacrifice; and if a time was to come when it might be said that the interest of trade required that it should be carried on as cheap as possible, and that there should be no place where a person might not buy his ship, because the commodities would be lowered if

that was to be permitted, and therefore you might go to Russia or America to buy vessels, I agree that the ship-builders in the river Thames, or any where else, would have no case, because, if that were made out, it would be impossible for private individuals to say, we have hitherto carried it on in this country, and it must not go elsewhere; it is a private interest, and may be sacrificed; and it is only then for consideration, whether it is a case for compensation or not. Is the bill founded on any such principles? certainly not; because if it was founded on the principles of enabling persons to trade cheaper, why not give the same privileges to the West India planters? why say the West India planter must carry on his trade in a vessel that is British-built, and not in any other vessel he can get cheaper, and navigate cheaper, and freight cheaper? I am now endeavouring to sweep away and get rid of any general topics which may be said to apply to the question, and to shew that no general policy exists to justify the supposition that my clients ought to make the sacrifice they will be called upon to make if this bill be suffered to pass into a law. It cannot be founded on any such principle as that it is necessary to give advantages to the East Indian traders, to enable them to bring their commodities over cheaper than other persons; and it is quite impossible to say that the bill is founded on any large system of policy connected with the navigation laws, which could call on parliament to interfere with the private ship-building establishments here. Is it on any other public policy? This will lead me to the next point, which has been the subject of elaborate investigation, both public and private, that is, the state of the timber in this country; and it is said it is necessary for the purpose of saving the oak timber to keep up the navy, that you should resort to teak and other wood, and have ships built abroad in order to destroy the competition for timber of a large size, and produce a saving of oak to ensure a reservation of a quantity of it for the navy hereafter. Now, sir, how stands this question? if it is put on the ground that it is necessary to save timber for the navy, it follows as a necessary consequence, that it must be admitted that the effect of the bill will be to carry the building of large ships to India, because otherwise it will not save timber; and therefore if saving of timber is one of the grounds upon which the bill is to be supported, the bill must be admitted to be productive of the consequence of transferring the business of ship-building, because otherwise it will fail of producing the result sought for, of saving the timber of this country. I will leave my learned friends to get rid of this dilemma in the best way they can. But if timber comes into discussion at all, I believe I shall be in a condition to prove that it is not true that there is the scarcity of timber supposed: that there is not the difficulty of getting it which is imagined. I will shew that the builders in the private yards have never had any difficulty in procuring it; and that no real diff-

culty has existed for the supply of the navy; and at this moment it is understood a gentleman has either offered, or undertaken to supply the navy with all the timber the navy board may want for seven years, at a lower price than has been paid for some years past. If I prove this fact from the gentleman himself, though I am not quite sure that I am at liberty to mention his name, I shall contend that I give evidence conclusive of the sufficiency of the supply: that gentleman might say it was difficult to get the timber, or that he shall make no profit, or I have no doubt I shall get the timber, but I wish to decline stating the profit, or I think it is a hazardous thing, and my profit is small; yet I am entitled to contend from the fact, that this gentleman, who has a perfect knowledge of these subjects—

Mr. ——— (a member). Of what country is that timber?

Mr. *Harrison*. I understand the offer to be general, to supply the country with all the oak timber wanted for seven years to come for the navy; it must be supposed to be part of the contract that the timber is fit to be used.

Mr. ———. Is it to be British oak?

Mr. *Harrison*. Clearly, sir. I thought the honorable member alluded to difference of counties, because there is an actual or supposed difference in the value of timber grown in the north and south of England—it is clearly British; the contract is for the supply of all the British oak required for the use of the navy; and I take that fact as conclusive, that, in the minds of those who are best informed upon the subject, there is no difficulty in the private yards on the subject; and in consequence of the economy practised in the use of timber, there is less danger now than there ever has been of a failure of oak timber.

Mr. ———. Did you say it was at a less price?

Mr. *Harrison*. At a less price than the price within the last year or two. I do not know how much less.

Mr. ———. You mean to prove this?

Mr. *Harrison*. We shall apply for the copy of the contract, sir. Of late years a very great saving has arisen in the use of oak, more than at any other period; some of the great works which used to come in competition with the navy for timber, are now otherwise supplied. The beam of a steam engine, which would take a tree worth £100, is now made of cast iron. In the same way, in a vast variety of instances, where there was a competition for the largest sort of oak; the competition is withdrawn by the application of cast iron. In ships, the knees are constructed of a different description—many of them iron instead of wood; and for other parts have been found equally useful, and they are much better where they can be applied properly, as they take less room, and are less expensive, because formerly the knees were cut out of an oak tree with large crooked limbs, and the whole tree was cut to pieces for the purpose. In a variety of ways of this sort, which I need

not enumerate to the committee, a very considerable saving has taken place in the use of timber without the least detriment to the construction of the ship. It has also been found from the building of fir frigates, that where it was formerly thought absolutely necessary to have crooked timber, straight timber may be applied—a great saving has arisen in that respect; all these circumstances, with the general saving in private use, give rise to a conviction in the minds of those who have investigated the subject, that there is less danger than ever of the failure of timber for the building of large vessels.

But, sir, suppose it was made out distinctly that there was a danger of oak timber failing for naval supply, and I will admit the fact to be so, for raising the question, that it was proved, and I am wrong in my proposition that there is no such danger of failure of supply, I then come to what is the effect of this bill—because it is still more important in discussing such a measure which is to transfer the building of large ships from this country to India, in order to save timber—to shew what will be the effect of taking away the building of all the large vessels from this country, and transferring it to India on the future growth of timber, and on its being suffered to grow to proper size—why I say the necessary effect and consequence is, the destruction of the growth of timber itself; that if you take away all future market, and all future competition for it, there is no other mode of securing the timber for public use, but by marking the trees, and telling the owner he must not cut them down; that you mark the timber for the public use, to prevent his applying it to any of the purposes of an inferior description. If you tell him he shall not have a market by the building of large ships for the merchants' service, he will not let his trees stand till they come to a proper growth, because it will be difficult to convince any man interested on this subject, that the building of ships can ever come back again. The consequence of this law inevitably must be, that the building of large ships will be withdrawn from England, and the establishments of these large yards must be transferred to the Ganges, Bombay, and other parts of India. No one will be persuaded it will ever get back again to this country, it is impossible, because the advantages which will be found in India for ship-building, will give a decided preference to that country over the mother country. The competition will be done away, and no man will then suffer timber to stand on his estate, whatever may be its age, if he does not think he is improving his property, and laying up a supply for the future heir of his family. In Scotland thousands of acres have been covered with timber of a large description; the larch particularly, which is the subject now of great cultivation for more efficient and general use. I know from information I have received from persons of high consideration, that this has not been done but at an expense of thousands and thousands of pounds—in one case not

less than £25,000 to establish woods—not woods within the view of a house planted as ornament, (for in a wealthy country there will always be planting to a great extent of that description); but woods planted on the supposition that posterity will derive from them a great advantage. Will such an individual lay out his money in covering his land with timber, if he believes the trade will be destroyed? Certainly not. It is quite clear, no man will suffer woods to stand except in situations of ornament. I speak of the general planting of timber to remain till it arrives at maturity, under the idea that it will then be productive of wealth to a family. It is obvious that if the competition is taken away, it will be immediately used, because it will not increase in value by being suffered to grow so as to make it a justifiable policy to permit it to occupy the ground. I say, the necessary effect of narrowing the market for timber of that description, will produce a failure of supply, instead of producing an increase or a saving; and, I contend, there is no sort of provision, no sort of arrangement that ought not to be first thought of, investigated, and resorted to, and first tried, to see the nature and effect of it, before you take away the market for oak timber in the way, this bill will, by encouraging the building of ships in India for the trade from that country. It ought not to be allowed to any man to cut down timber fit for naval purposes, and to apply it to any common purpose. Prevent its being used for park pales—prevent the very large trees, of a description fit for ninety gun ships, being cut up for smaller purposes: every saving of that description should first be resorted to, and all sorts of investigation gone into, to ascertain the effect of such measures; and they should be fully tried, before the policy of taking away the market is resorted to, because that will destroy the article instead of saving it, and defeat the policy on which the bill is founded, if the saving of timber form any part of it. I contend, therefore, sir, before the committee, in the first place, that there is not a scarcity of timber; and I then contend that this is not the policy to be pursued to save timber, but that it will defeat that object, and is the worst policy which can be resorted to. I therefore submit, that I have removed this ground as a foundation for a bill, which will take away the ship-building from the river Thames, and carry it to India.

Now, if general and large grounds of policy, connected with the navigation acts, are not the foundations of the bill; if the saving of timber is not the foundation of the bill; I am at a loss to conjecture what other public policy can be stated: always keeping in view, which I request the honourable committee to do, the foundation on which I started, that the present bill, which will establish and make permanent a *temporary* system which has brought these establishments so low, will lead to their entire destruction. I assume that as a fact which I shall make out beyond contradiction; to that fact all my argument must point: I therefore again ask, upon what public policy can it be founded? —I am aware of none.

This brings me to the question of, whether the subject is not to be considered with reference to the immediate interests protected by my learned friends here, who appear on behalf of the persons engaged in ship-building in India, and to those interested in the ship-building in Great Britain; and if that is the fair state of the question, and it is both legally and politically a question between these two sets of persons; I think I shall have very little difficulty in shewing that there is no comparison of claim, and no comparison in discussing the consequences that may arise, as to whether they are to get it, or we are to retain it. Upon what foundation would these gentlemen stand first? On the legal foundation, it is said; on the acts of parliament having directly pointed at the right of natives of Asia who are subjects of his majesty to build ships to be registered in Britain. I admit it so stands in the act of the 26th of the king, which regulates the registering of vessels: that act does certainly allude to his majesty's dominions in Asia as well as elsewhere—loosely, certainly; but that act has remained, till of late years, a dead letter: there being no custom-house officers in India who could register the vessel, the register act was rendered nugatory in India. The gentlemen for whom I appear, have, therefore, never practically felt any effect from that act of parliament: in its terms and in its letter it appeared that the British subjects in Asia were as well entitled to build ships as those in England: the act was never resorted to, and, in consequence, vessels from India until 1794 did not interfere with those built in this country. What was the state of other colonies, American and others? they are within that act of parliament, and vessels may be built there and brought to this country; but there never has been, in point of fact, any detrimental interference from them. The ship-builders in this country have never been met in competition by any vessels of such size, qualities, descriptions of tonnage, and to such an amount as seriously to hurt their building here; it has never gone to an extent to produce that effect. Whatever might have been their foundation for complaint, if it had arisen in other places as it has now in India, the necessity of making any representation upon it has never occurred. The act, therefore, as far as their interests were concerned, was a dead letter in India and elsewhere; the only interference they have been subject to, which has been very serious, but of which they have no right to complain, is from the immense number of prizes taken during war, and which are made British ships, and admitted to register—that is compensated for by the demand for transports for the king's service; the result of which is, that at the end of a war there is no doubt but that upon the discharge of the transports, all of which being British-registered vessels, will come in competition with the builders, but that is an evil which these gentlemen must submit to; it would be injustice in them to suppose, that because they are interfered with by prize vessels, that it is proper for them to say, the vessels shall be burnt instead of being

sold. It is impossible they could come forward with such a proposition; it is a description of interference only to a limited extent, because in time of war it is taken off by the transports employed; and, when peace comes, the prize vessels will, after a war that has lasted so long, decrease by degrees; it is an evil of a limited description, and will die away, and cannot, in this case, come into calculation. I mention it only that the committee may give me credit for considering the subject in every possible way.

Now, sir, proving, as I think I shall, that there never has been any serious interference in point of size of vessels and quantity of tonnage, by building abroad, or by the prize vessels which have been captured from the enemy, I now arrive at the point of competition between the British and India builders, on which, probably, this case will rest. They seek on the other side to have the temporary measure of which we complain made permanent, and to have an arrangement made by which they will effect the transfer of all the ship-building to India; and the consideration of all the arguments I have used, lead to this conclusion, that it is a question of competition between us; and I will shew most distinctly, that the question does not become the subject of comparison. Now, sir, I have already shewn, that the permission of vessels to come from India which have obtained registry here—seventy-six admitted to registry, and eight more admitted to entry, and not registered, as is stated in the list I first read, have produced the effect of giving a tonnage from India in the exact proportion of the tonnage not built here:—in what way? Every honorable member who has had this subject before him is aware that the introduction of ships from India arose on the ground of convenience to the persons who had to bring home property which was to be remitted from India; there were great contests and disputes upon it, which I need not enter into, but which gave rise to the demand for ships to come for a specified period to bring home the produce to this country. It was early said by some of those engaged in the very warm discussion upon this subject, that the object of bringing home property from India *was not the real one*; but those who wished it to be brought home in India ships, wanted to introduce the ships without caring for the property. This has been stated over and over again, and, if necessary, I shall be able to prove it from some of the gentlemen the most earnest in the application. With respect to the private trade, there is a document before the committee, which I believe was published in Bombay:—“In pursuance of authority received from his excellency the most noble the governor-general in council, in consequence of the orders of the honorable the court of directors, the public are hereby informed, that sealed proposals will be received at the offices of the secretary to the government, on or before the 5th of October next, for freighting to the honorable company



ships built with ~~teak~~ within the honorable company's territories in India of the burden of *three hundred tons or upwards*, for the conveyance of private trade from Bombay to England in the season of 1803-4, under the express condition, that such ships shall *not return to India but be sold in England.*" actually sending home the ships, and sending them home for sale here. There is a document with the name of Mr. Farley to it, who avowed it was not sufficient to give the tonnage, that they wished to oblige their friends by bringing home their property in vessels of that country, and that it was necessary those vessels should be admitted to register, it could not satisfy them to give them the tonnage only; and this is stated, and is so obviously their intention, that I have a right to say that a great number of gentlemen did feel that that was the point they were driving at, and not the mere circumstance of having the means of conveyance of their property.

Then in the course of this, which the committee will recollect was a discussion between the private traders and the East India company, all leading to what took place last year, all these being gradual attempts from time to time and from day to day to do away the monopoly of the charter, though the contending parties were talking about cargoes, the question was always reverted to, whether they wanted to bring the ships or the property home, and it was obvious that their intention was to introduce the ships. Last year the great subject of discussion was, whether the monopoly should be preserved or not; but during the long period of discussion of the monopoly, the interests, not then the subject of discussion, and which now came forward, were lost sight of—not improperly lost sight of, because it could not be neglected by government; but from the nature of the subject of discussion, and the questions disposed of last year, the real interests of the ship-builders never were investigated until the present moment. It was brought forward some time ago by representation to government as a subject of discussion by the ship-builders. Why? Because they found the India ships coming into this country and encroaching on their business; and increasing on the British registry. They felt it a serious evil to them; it reduced their trade, and would ultimately produce the annihilation of it; the subject was postponed by temporary laws, and they waited the bringing forward the question of last year, conceiving that with the termination of the temporary acts the interference with their business would cease, and that India ships would not come afterwards in competition with British built ships; that it was an interference, limited by a particular act of parliament, connected with local circumstances, which would not exist longer than until the question came forward of what was to be done with respect to the India trade. They were naturally anxious for their own interests, and to have the whole subject discussed; but their interests being particular, and not then so immediately coming under the attention of parlia-

ment, were postponed till this sessions. They were put aside, as not connected with the general subject of monopoly of the trade, and are now under particular discussion in consequence of this bill, which we may consider as part of the general measure of last year; and, sir, this bill will permanently fix the temporary arrangement with a limitation of no real use or advantage, giving to the India ship-builders all the trade, as I will shew, between India and Great Britain, and thereby transferring the whole of the most important ship-building of this country to carry on a trade that must ere long be one of the most important in which this country can be engaged.

The act of the 26th of the king alludes to the right of persons in Asia legally to build ships. I have shewn that this legal right never was resorted to, and that the India ships never came to this country, except under the temporary acts of parliament; how they became registered I never could distinctly ascertain. It is a subject of great dispute, and at Madras it was a subject of adjudication by the court, that the 26th of the king did not extend to India; and cases have been decided on an appeal here, on the ground that as there was no person there to execute the act, though the general expression had an allusion to Asia, it was a dead letter there, and therefore did not apply to India: how they got registered here I do not understand.

*Mr. ———.* (*A Member.*) That never was the received doctrine in India.

*Mr. Harrison.* In Madras the determination was, that the registry act did not extend to India, and in a case upon appeal it was said, that the question we were disputing as to the right of property that had been the subject of mortgage was to be considered without reference to the register.

*Mr. ———.* That register was made in Madras.

*Mr. Harrison.* I have understood that the course of proceedings was, that certificates of building were granted in India, that they came over here with that certificate, and were permitted to be registered in this country; in other instances there was a sort of transfer to other owners, and so registry obtained in the name of the new owners; but it does not signify in what way they acquired the character. There are seventy-six now so registered, and there are others which have come under the temporary acts, which are not registered. Some of those which are now here were built at Pegu, and other territories which can never be registered hereafter.

*Mr. ———.* It was always the practice of government, I believe, to confine their register to ships built in Bombay or Calcutta.

*Mr. Harrison.* It is clear that under this bill no ships can be registered but those which ~~have~~ <sup>take</sup> the character of being built in British India; and the ships to be considered as entitled to register

are confined to the limited trade. Then, sir, for the sake of the argument, I will admit, that from the circumstance of his majesty occupying distant possessions in India, Ceylon for instance, where there are custom-house officers, the act was in full force in India, because to that extent the act of parliament would be operative in India, where there were custom-house officers, who could execute the purposes of the act. Ships if built at other places, in Bengal or Bombay, might, I believe, under the law be carried from those places and registered in Ceylon, so as to become British ships; therefore I distinctly admit, for the purpose of raising the broad question of policy, that those gentlemen who are interested in ship-building in India may say, their ships are entitled to British registry. Now on that proposition, the committee will see this bill proposes a limitation, because, if, by law, the persons in India are entitled to build and register their vessels, there is a distinct limitation of that right in the bill; it confines the right of registry to a particular description of vessels and trade; they will not be allowed to come into the regular class of British ships; they are confined to the trade from India to England, and back again, and the circuitous voyage: that is, with leave to touch at intermediate countries, South America, North America, or any other places within the limits of the company's charter. So far it is a bill of limitation of the legal right, and in that respect might *prima facie* bear the appearance of a gift to the persons for whom I appear. It follows, as a necessary consequence, that if parliament can limit the right, they can take it away—that will not be disputed; and it is also a general indisputable proposition, that if the public interest requires the restriction of a right which is possessed by private individuals, they cannot complain of being deprived of it; and if it was thought fit to abrogate the law that confines the general trade of the empire to British built vessels, parliament has power to do so. My learned friends must admit that general principle of policy as well as myself; therefore, though I admit distinctly the construction of the law, I am now about to contend in point of policy, parliament must abrogate that law, and take away any right to introduce India shipping. It is material that the right should be completely restrained; because I shall shew to the committee, that it is by the bill restrained *in terms only*, and that the business will be transferred from one side of the water to the other. I therefore contend, that if in point of policy parliament may entertain the question of limitation and restriction, that the period is arrived when they must limit and restrain the existing law to prevent the consequence of a total loss of ship-building of large vessels in this country. Admitting vessels for limited or temporary purposes leads to the consequence that the act of parliament of the 26th of the king must be altered to the extent of securing the British builders in England against the interference of those in India, if ship-building and the work-

men are worth preserving. This brings me back again to the position with which I first set out, and to which I must again advert, namely, that the introduction of the India built ships has hitherto interfered with the building of large ships in this country, and that the continuance of it will entirely annihilate it.

My learned friends will come prepared to shew that at present ships cannot be built cheaper in India than here; probably they will be prepared to prove they cost more. The freight of tonnage with respect to the India company is, I believe, pretty nearly the same; they pay nearly the same freight for one vessel as the other, and they do not, it is said, make it at present the subject of a saving; they do not contend for a right to use these vessels under an idea that if they are permitted to carry on the trade in the way now proposed they will have a cheaper freight. *As yet*, I have not heard this contended for. At present the mode of equipping the ships in India renders the expense more equal than it can be hereafter, in consequence of the vessels built there being fitted out, in some instances, with materials carried from this country. Now I must beg leave to discuss a little that question. I believe it is a fact, that at present a part of the sails, cordage, iron and copper is carried from this country; but I would ask the committee how long can such a course of proceeding possibly exist, if the building of all these vessels is transferred from one country to the other, or on what principle is it to be made to exist? Will it be said that the sailmakers, that the ropemakers, and the shipsmiths are to be protected in this country, and that therefore the articles which constitute the furnishing of a vessel must not be permitted to be brought from that country, but that the vessels must equip themselves from this? Is it meant to protect those trades, and say they shall not be interfered with? If it stands on the principle only of protection, who are more entitled to it than my clients? And therefore if the arrangement, that it is not to be allowed to the ship-builders in India to supply themselves with those articles, is to be the foundation of this bill, we have an equal claim for protection with those persons.

Is it a question of duties of revenue? If so, we will shew that under any arrangement, either of the sails, or cordage, or iron, or copper being sent from this country, there will be a loss, and an important loss of duty. But this is not a subject which, as I before stated, I mean to enter into much; but I must allude to it, because I consider the duties of customs and excise, and the profit to arise to the State, as a much fitter subject of consideration of government than the subject of individual discussion. It is a subject which the committee will permit to be alluded to where private interests are involved in the same question; but into that question I shall not enter otherwise than by saying, that if it stands on the ground of revenue, a material defalcation will take place from permitting ships to be built in India, although the

furnishing of them to some extent may be supplied from this country. I therefore, sir, contend, if it is a question of protection, we are better entitled than the other persons; and if of revenue, that the revenue will be interfered with materially if this measure is adopted.

I next proceed to enquire (I always argue on the practical effect of the transfer of ship-building to the other side of the water) how long it is possible the restriction can continue which will compel the builders in India to supply themselves with the articles necessary for the furniture of a ship from this country, when the establishments are fixed there, and when the inconvenience which would arise from having the manufacture of the articles which are to be used in that country entirely carried on here? If they are to have their supply from this country, the accidental losses of vessels carrying out the materials from this country would lead to inconceivable inconvenience. How long will it be possible to maintain that restriction when they are able to manufacture those articles of supply in India at a much cheaper rate than they can be got from this country? From the settlement in South Wales there is not an article of iron that will not probably at no very distant period be supplied at a much cheaper rate than from this country: hemp and flax will be supplied from that country, and is also to be got in India much cheaper than in this country. From South America copper can be got also at a cheaper rate, so as to destroy the possibility of its being sent out from this country in competition; and when it is the subject of proof that all the articles necessary for the equipment of a ship are to be found in India of Asiatic manufacture, and that they can be procured at a much less expense, is it possible to imagine that restrictions as to such articles can remain any number of years? And is it possible to say you can continue an arrangement for building a vessel there, and equipping her with manufactured articles from this country? The arrangement of sending out the cordage, and sails, and iron, and copper is practicable now, in the infancy of the establishments: when they have found and established the means of procuring these articles much cheaper in India, is it possible to say you will keep up the system of constructing a vessel on one side of the water and furnishing her from the other? But the fact is, as we will shew, that they supply themselves now to a great extent: we shall shew that the building and fitting out of ships there has increased; and that the quantity of articles sent from this country has already greatly decreased on all articles; thereby shewing that the inevitable consequence of passing this bill into a law has already begun to operate; and therefore, in a period not very far distant, all the articles will be furnished from the other side of the water. Any difficulty which may at present exist in the business in India, will be done away; and when a great number of persons bringing up to ship-building, whose wages are

cheaper, have become skilful, the necessary consequence will be, that in the course of a few years the building in India will become so much cheaper than here, that if no other circumstance arose to annihilate competition, the comparison of price would do it, and put an end to the establishments of my clients: therefore, if these gentlemen had not been interfered with to the extent to which they have; if I had not the argument that the tonnage they have lost is to be found in the India built vessels, as soon as the builders had made their establishment in India, and the articles of sails, cordage, iron, and copper were also found in India, the competition would be destroyed, and the ship-building of this country entirely annihilated.

I have already disposed of the argument arising out of this fact, namely, that cheap freight is not a foundation in policy for interfering with my clients; and it is not necessary to enter into any argument upon that, because if the principle is contended for by the builders in India, or the merchants there, that there is a convenience in having ships built abroad, because they build cheaper than they do here, and therefore they would be able to sell their merchandize cheaper, it attacks at once the whole system of navigation laws, and leads to the consideration of one of the greatest questions, in its consequences from the nature and probable extent of the future trade to India, which has for many years been discussed in parliament.

Now, sir, to that subject I will shortly advert, before I recapitulate the foundation of my arguments; and in so doing I hope the committee will think I do not unnecessarily take up their time. The navigation law has hitherto been considered in this country as the great foundation of the existence of the navy itself. I think no man will contend, if the trade of this country was destroyed, that the navy could exist; no man will believe that the mere application of pecuniary resources will enable any nation to establish and maintain a navy such as we have fortunately hitherto possessed, but by the breed of seamen—by extensive trade. It is equally indisputable that if it is intended to preserve the ship-building of this country, so as to furnish a supply of men to carry on the naval system of the country, there must be large private establishments which can employ them when it may be rendered necessary to discharge them from the king's yards in the time of peace. It must be admitted that it is equally important to the existence of the navy as a fabrication, that the ship-building in this country should be maintained to the full extent, as a nursery to the naval yards, on the breaking out of and during the continuance of a war, and as a receptacle of persons out of employment in the time of peace, as that the nursery of seamen should be encouraged to man the navy for service. The one is a proposition which stands as firm as the other: they are of the same importance in point of public policy, and if you lose sight of this policy

you will destroy your means of being able to make any sudden exertion ; you will transfer the shipwrights to other countries, where they would be gladly received ; and the consequence necessarily will be that in the end this country must become dependent upon others, or on its distant colonies, for the support and existence of the navy itself.

I shall prove to the committee that there are at this moment nearly three thousand people in such a destitute situation for want of work, as to be actually in no condition to present themselves to this committee, because they cannot send counsel to advocate their case here. I have received a letter from the solicitor for them, stating their inability to appear, and intreating of me all possible exertion in their favour, as they are in too distressed circumstances to send counsel to support their petition. I believe the fact will be proved to be, that from there having been formerly near three thousand men employed, there are now only about two hundred and fifty employed ; and that a large number are dependent on the parish for support. How long will they remain subsisted by the parish, when they are told that in France or Holland they will be received with open arms, and are tempted to quit their own country and resort to another ? What may not be the consequence of such a state of things ?

The large establishments in the river, which have hitherto given employment to these men, have produced an extent of building for the navy, to which I must allude before I conclude. The committee will see an account which does not contain all which have been built in the private yards, in London, and at the outports, but only of those ships and vessels of war now in the king's service ; by which it will appear that they are to the extent of 538 ships ; that of the present navy that number of ships have been built in the private yards ; there have been some built in the outports, but the greater part have been built in the yards in the Thames ; that of those, nine of them were built between the years 1759 and 1770 ; forty-eight were built from 1771 to 1783 ; thirty-one were built from 1784 to 1792 ; sixty-eight were built between 1793 and 1801 ; ninety-one were built between 1802 and 1805 ; and two hundred and eighty-three were built between 1806 and 1813. Now when the committee see the immense extent of the British navy, the large number built in the merchants yards, and the committee will distinguish the prison ships, those at sea, and those in actual service, and they will ascertain that much the greater part are not useless, or laid up, but are now sailing on the seas, constituting a part of the efficient naval force of the country. I ask therefore whether the use which has been made of the private establishments resorted to in the last and this war to build such an immense number of ships for the navy, does not prove that these establishments are of the greatest importance in cases of sudden or great emergency ; and that in the present state of

things, if something is not done to give them a hope that at the termination of the war their difficulties will cease, there is great danger of their transferring themselves to other countries, or that the ship-building, which is connected with the existence of the navy of the country, must be transferred, if not to other countries, at least to one of our own most distant settlements. The latter consequence would not be so fatal to the country as if they were to be established in Holland or France; but would the committee calmly contemplate the consequence of seeing the support of the ship-building interest of this country, which is so connected with the navy, so transferred as to leave the mother country dependent on one of its remote colonies for its naval strength? Will any man say, that fifty years hence, that colony (whatever it may be) will belong to us? And if it is put to any man, whether he would rest the security of the state upon the chance that no enemy would arise or events occur there to separate it from the mother country, would it not make him pause? Will not the legislature hesitate before a sanction is given to a policy which will permit such a consequence to depend upon such a chance? The experience of a few years past has shewn the effect already produced, and that the interference of India ships must end in the annihilation of the establishments here. I would ask, whether that will not be sufficient to call on the legislature to abrogate the existing law, and confine the building of ships to this country, in such a way as to prevent these great and important establishments from being ruined.

Under these circumstances I shall sit down quite satisfied, that though I have entered into no details, because if I had I must have occupied the attention of the committee for more than one day, I have brought the subject under their view in such a way as to enable them to apply the evidence I must lay before them on this important subject, and I cannot help feeling satisfied that when that evidence is considered in the different points of view in which I have presented it to the committee, together with the consequences which may arise from adopting the measure proposed, it will lead the committee to the conclusion of recommending to the house, that the clauses in the navigation acts should be altered, to the absolute exclusion of all India built ships and vessels from any participation in the privileges of British registry.



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**T. DAVISON, Lombard-street,  
Whitefriars, London.**

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# **OBSERVATIONS**

**ON THE EXPEDIENCY OF**

## **Shipbuilding at Bombay,**

**FOR**

***THE SERVICE OF HIS MAJESTY, AND OF THE  
EAST INDIA COMPANY.***

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**BY**

**WILLIAM TAYLOR MONEY, ESQ.**

**LATE**

***SUPERINTENDANT OF THE MARINE AT BOMBAY.***

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**LONDON:**

**PRINTED FOR LONGMAN, HURST, REES, ORME, & BROWNE,  
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**1811.**

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F. Blackader, Printer,  
Took's Court, Chancery-lane, London. }

TO  
**JACOB ROSANQUET, ESQ.**  
CHAIRMAN

*HONORABLE COURT OF DIRECTORS OF THE.  
EAST INDIA COMPANY.*

SIR,

I HAVE the honour to dedicate to you the result of some experience and particular investigation, in a few observations on a subject of the utmost importance to the interests of the British Navy, and of great concern to the commerce of the East India Company.

I am prompted to this address, by a high respect for the pure

public principle which has invariably distinguished you in the discharge of the arduous duties of your important station, and by a lasting sense of gratitude for the favor conferred by my appointment to the respectable office which I lately held, and in which I acquired that experience, of which the following pages contain the results.

I have the honor to be,

SIR,

Your faithful and obliged Servant,

W. T. MONEY.

BOMBAY,  
1st November, 1811. }

**THE BRITISH NAVY** has so long been the pride of our country, that an interest in every thing, connected with it's prosperity, may justly be regarded as the natural feeling of every British heart.

Any means which can be devised, to preserve and perpetuate this great bulwark, must not only be a benefit to England, but to every nation disposed to contend for it's independence.

The annihilation of the power of Tippoo Sultaun, by the conquest and partition of Mysore, left at the disposal of the British Government, extensive regions, abounding



with timber better adapted than any other to the purposes of naval architecture.

The extent of these resources was, till lately, unknown—the forests of Malabar having served only for the marine of the East India Company, and for the country shipping of India—and the national and natural predilection for British Oak might still oppose an irresistible obstacle to the use of Indian Teak, were it not unhappily a fact too well established, that the excessive consumption of Oak, by the great increase of British shipping, military and mercantile, has created such an alarming scarcity of that valuable timber, that, if some substitute be not employed, the materials of the British navy will, at no distant period, be exhausted.

This fact, however, having been denied in a recent publication, it becomes necessary to establish it upon authority sufficient to set the question for ever at rest—for it must, without hesitation, be admitted, that, if the Oak of

England be the wood best adapted for ship-building, and no real scarcity exist, it would be injustice to the interests of very respectable and valuable bodies of men, the ship-builders, timber merchants, and landed proprietors, to urge the substitution of any foreign wood. Those who contend for foreign timber are, therefore, at issue with the authors of this recent publication, as to the existence or non-existence of a scarcity of Oak for ship-building in England; and if so alarming an evil shall be found to prevail, all individual interests must sink in the magnitude of this national concern.

In a memorial from the shipbuilders in the port of London, to the Committee of the Privy Council for the affairs of Trade and Plantation, they state that “They are induced  
 “ to think, from recent accounts, and the  
 “ knowledge now possessed by the public,  
 “ *in consequence of the inquiries which very*  
 “ *generally took place on the discussion of*  
 “ *this subject, a few years since, that there*

“ *is not any real scarcity of Oak timber in*  
 “ *Great Britain; and that a reference to*  
 “ *the present state of the ships of war now*  
 “ *building in the private yards throughout*  
 “ *the kingdom, which exceeds three times*  
 “ *the number of King's ships, that were*  
 “ *building at one time before, in them, the*  
 “ *danger of scarcity will appear merely*  
 “ *ideal.*”

The memorialists also observe, that “ It is  
 “ *well known that his Majesty's yards are*  
 “ *better provided, and have more timber in*  
 “ *them, at present, than for many years*  
 “ *past.*”

At the commencement of His Majesty's  
 reign, the British navy consisted of 372 sail,  
 of which 129 were of the line.

In 1811, it amounted to 1063, of which  
 255 are of the line.

The comparison between the two last pe-

riods, especially when it is considered how many of the intervening years were a time of war, must carry conviction to any unprejudiced mind, that the consumption of Oak must have far exceeded it's growth ; and yet nearly fifty years ago, after the conclusion of the most successful naval war in which England till then had ever been engaged, the scarcity of timber was every where felt ; and a very ingenious person, who had applied his researches to this interesting subject, declared that whoever would reflect, must be alarmed for the consequences, which, it was feared, must inevitably happen to the country in less than half a century, if the most vigorous measures were not then adopted, to increase our stock of timber—or to secure and preserve what remained of the invaluable legacy left by our forefathers.

About that period it was computed that the decrease of timber fit for shipbuilding had been so great, that the quantity then in the kingdom was only in the proportion of

one to six of the stock which the country possessed a century before.

In the year 1771, in consequence of public attention having been seriously called to the diminution of the quantity of Oak timber throughout the kingdom, a Committee of the House of Commons investigated the subject. The evidence obtained by that Committee was important, and went directly to establish the apprehension of a great scarcity, at no very distant time; but, strange as it may seem,\* the Committee moved the House to have that part of the order discharged which required them to give an opinion.

The circumstance, alone, perhaps, would be considered as decisive evidence that, in the opinion of the Committee, our resources in Oak timber at that period had sustained an alarming reduction—otherwise it is not

\* Probably in order to avoid exciting an alarm, when no remedy seemed to be then within reach.

possible to conceive that their inclinations, concurring with their duty, would have not prompted the Committee to have given a favorable opinion to Parliament.

It is much to be lamented that they pursued this conduct, as it unquestionably tended to check the further discussion of a most important question, and to prevent the seasonable application of those remedies which a full knowledge of the evil might have suggested.

It is scarcely possible to conceive a more mistaken conduct than that which was pursued by the Committee of 1771; for it may be assumed as a general principle of political wisdom, that the real condition of every branch of the public force should be fully and fairly made known—in order that defects may be supplied. No good can ever result from palliative measures, and temporising projects, in the concerns of a great and free country. To look in the face whatever

danger menaces it's prosperity, is the first step to subdue it—and to inform the nation, by proclaiming it's difficulties, and not to delude it by mysterious silence on points essential to it's well-being, perhaps to its existence, are the sole mode of securing the cordial and indispensable co-operation of the people in the execution of measures commensurate to the impending evil. This was fully illustrated when an alarm of the scarcity of timber prevailed soon after the Restoration, and which was principally ascribed to the devastation committed by the contending parties during the civil wars.

The Commissioners of the Navy represented the evil to the Royal Society, requesting them to suggest a remedy ; and Mr. Evelyn, a member of that institution, declared, in his publications, that the devastation was so extensive that nothing but an universal planting over the kingdom could supply an effectual remedy.

The effect of his writings was a general plantation throughout the country, and a distinguished statesman,\* to whom the navy is under peculiar obligations, in remarking on this fact, has observed, that as it is allowed that Oak trees fit for the navy are from 80 to 150 years old, according to the quality of the soil, it is obvious that the vast quantities of great timber which have supplied the consumption of the present reign, were chiefly produced by that spirit of planting which the writings of Evelyn universally excited.

This important fact, which has laid the present age under everlasting obligations to their sagacious countryman, is well worthy of the serious consideration of the nation, as a precedent so eminently successful, as to establish one of the means in our power, and to which we should, at this day, have recourse, to ward off from our posterity, the danger which was thus averted from us.

\* The late Lord Melville.



In the year 1791, Mr. T. Nichols, purveyor of the navy for Portsmouth yard, an authority entitled to much respect, in a letter to the Earl of Chatham, then first Lord of the Admiralty, asserted that there had been a great decrease of large timber in the kingdom within the few preceding years, owing to the vast quantities used in the King's and private yards, and care not having been taken to keep up a succession, either on private estates, or on the royal forests. This, Mr. Nichols emphatically observed, is no *chimera*, but an *alarming fact*, of which he was convinced from a knowledge of the timber state of the country in general—and yet, when we reflect on the magnitude of the expenditure of timber since that period, the scarcity which excited so much alarm then, must have been insignificance itself compared with the evil of the present day.

But these single authorities, respectable as they are, are not quoted as decisive evidence on the question at issue—but as concurrent testi-

monies, entitled to weight from the situation and experience of the parties, whose unqualified opinions of a scarcity of timber, at the periods of their writing, tend to confirm the general position.

There is, unhappily, a volume of evidence, which establishes the fact beyond the possibility of doubt.

The eleventh report of the Commissioners appointed to enquire into the state and condition of the woods, forests, and land revenues of the Crown, which was laid before Parliament in February 1792, contains a clear exposition of the subject, describes the state of Oak timber from the remotest periods to the present time—and, by a convincing train of facts, traces effects to their causes, and proves, by evidence which the most sceptical will scarcely venture to question, that the scarcity of that valuable timber, which has for ages been the basis of the British navy, is no longer a problem for theorists to discuss.

The express object of the appointment of the Commissioners was limited to an enquiry into the state and condition of the timber belonging to the Crown ; but they were well aware that they could not execute their trust with advantage to the state, if their researches were confined to the royal forests alone—and therefore, “ To avoid the danger of forming  
 “ an opinion on a partial view of the subject,  
 “ and to enable them with confidence to re-  
 “ commend, to the Legislature, that mea-  
 “ sure which would be most expedient for the  
 “ public,” they extended their enquiries into the state of the timber growing on private property—for the essential purpose of ascertaining, if there had been a decrease of the quantity of timber, and if the stock remaining fit for shipbuilding, and the prospect of a succession of supplies, were such as to justify Government in a reliance on the resources of our own country, without having recourse to importation from abroad.

The Commissioners had not advanced far

in this important inquiry, before they saw reason to believe, that a decrease, in the quantity of timber, was not confined to the royal forests; but that the general stock of *large timber on private property was rapidly declining—and that the apprehensions of an approaching scarcity were but too well founded.*

But, although this was the fixed impression on the minds of the Commissioners, who were satisfied that “*the danger of scarcity was not merely ideal,*” they yet pursued their enquiries with the most prudent caution, and minute research into the state of the timber at the earliest periods of our history; and to guard against the possibility of exciting unnecessary alarm, they resolved to postpone their report, until their information should be so complete, as to remove any doubt on a subject of such consequence to the interests of the state.

England is described, in the earliest ac-

counts, as having been covered with wood ; and in the reign of William, the Conqueror, Oak was so abundant as to be valued, not by the quantity of the timber, or of what could be annually felled, but by the number of swine which the acorns could maintain.

The first general attack upon the Oak is represented as having been made by Henry the VIII. when he seized upon the monasteries, and disposed of the timber.

This measure, the Commissioners state, was followed by a continued consumption of Oak timber, not only in the gradual extension of commerce, and of the royal navy, but in house-building, for which, in the sixteenth and seventeenth centuries, Oak was principally used.

In subsequent reigns, but particularly in the reign of James the I. a considerable revenue was derived to that needy monarch from the sale of timber, which at that time was 10s. a

load, for Oak fit for the navy, being not one twelfth of what is now paid.

The Commissioners have subjoined a very curious note to their report, to shew that the advance in the price of timber has no connection with the value of money since that time.

A shilling contained the same quantity of silver in the time of James the I. as it does now; and the price of the best wheat, \* at Windsor market, for 51 years, from 1595 to 1646, was 2*l.* 0*s.* 3*d.* the quarter, which was higher than the average price for 51 years, from 1741 to 1792.

Does not this incontestibly prove that very opposite causes operate upon the prices of wheat and of timber—that the increase of agriculture keeps the one comparatively

\* The soil fittest for Oak is also that best adapted for wheat.

low, and the consequent decrease of wood, with an increased demand, raises the price of the other exorbitantly high ?

Can any circumstance be more decisive on the question, whether the supply be equal to the demand—to a demand which, considering the vast extension of our commerce, and of the force of our navy, is not likely to decrease ?

The first great advance in the price of timber took place soon after the Restoration—and the Commissioners of the Navy, at that time, were alarmed by the prospect of a want of timber, the cost of which had increased to 2*l* and 2*l*. 15*s*. 6*d*. per load ; and from that period the price of timber has gradually risen, till, in 1809, the price in the private yards, on the river Thames, was 7*l*. 5*s*. per load.

The Commissioners pursued their enquiries with the most diligent research, applying for information to the best sources capable of

affording it—to the Commissioners of the Navy, to the Purveyors employed in surveying and marking the naval timber—to the most extensive private dealers, land surveyors, principal shipbuilders, and the Chairmen of the Quarter Sessions in England and Wales, who all concurred in representing the timber as in a state of decline throughout the kingdom.

The answers which the Commissioners received from the different counties, stated that, within memory, there had been a great decrease of Oak Timber of all sizes, in every part of England, but more particularly of great naval timber, and of knees, the difficulty of procuring which, was such as to induce the Navy Board to make trial of Chestnut and Ash.

The Commissioners observe, that this mass of concurring evidence, from every part of England, and from men of every description, who have any dealings in timber, either as



buyers or sellers, or who are likely to have any information concerning either it's growth or consumption, they apprehend, can hardly leave a doubt in the mind of any person, that there is a great and general decrease in the quantity of large naval timber, and notwithstanding the additional and growing demand; and this decrease is the more alarming, and calls the more for the attention of the public, from it's being occasioned, not by any temporary causes, but by such as will probably render it in future still more general and rapid.

And yet the shipbuilders in the port of London, in the face of the irresistible body of evidence, contained in this important report from the Commissioners of Land Revenue, *express their great doubts of the scarcity of timber*—being induced to think, from recent accounts, and the knowledge now possessed by the public, *in consequence of the enquiries which very generally took place on the discussion of this subject a few years since, that*

*there is not any real scarcity of Oak timber in Great Britain.*

To what general enquiries the memorialists allude, as those on which they have founded so extraordinary an opinion, I cannot conjecture; and it were to be wished that the authority had been given—more especially as the valuable report which has been so largely quoted, was the result of the most general enquiry and the most laborious research, and led every unprejudiced mind to a conclusion so opposite from that which the memorialists have drawn from some other general enquiries, with which the public have not been made acquainted.

The Commissioners observe, that a more striking picture of the decrease of timber in the forests cannot, perhaps, be given, than by a comparison of a survey in 1608, with another survey taken by order of the House of Commons in 1783—as to such of the

forests under their consideration as were surveyed at both these periods.

In 1608.

In 1783.

Timber fit for the Navy.	Decayed Trees.	Timber fit for the Navy.	Decayed Trees.
<i>Loads.</i>	<i>Loads.</i>	<i>Loads.</i>	<i>Loads.</i>
New Forest . . . . 115,713	118,072	33,666	1,713
Aliceholt & Holmer 13,208	23,934	6,985	5,924
Bere Forest . . . . . 4,258	8,814	161	175
Whittlewood Forest 45,568	1,472	4,820	7,200
Salcey Forest . . . . 23,902	1,673	2,497	5,653
Sherwood Forest . . 31,580	111,180	2,326	14,889
234,229	265,146	50,455	35,554

So that the quantity of timber in 1783, in those forests, was little more than one-sixth part of what it was in 1608.

The Commissioners of Land Revenue considered the consumption of Oak timber to fall under three general heads—the first comprising the quantity required for the internal purposes of the country, in which timber of all sizes is used—the second including what

is employed in building vessels for the whole trade of the country, and to which middling sized timber is applied; and the third comprehending the great timber used in the construction of ships of war, and the large ships of the East India Company.

They considered any attempt to ascertain the quantity expended for the internal purposes of the country, as impracticable. They ascertained, however, that in house building there had been a considerable decrease in the consumption of Oak, by the substitution of other woods. In rebuilding London, after the fire in 1666, no other timber but Oak was allowed to be used in the roof door, window frames, or cellar floor of any house; but in the great additions which have lately been made to the capital, and to many other towns, a very small proportion of Oak timber has been used.

The saving of Oak, however, by the sub-

stitution of other woods in house building, which formerly created so large a consumption, has been counterbalanced by the greater expenditure of it in the machinery which the improvements in the mechanical arts have introduced into our numerous manufactories, in the construction of all the wood work of the various canals, and of the barges and boats which are employed in the internal navigation of the kingdom.

The Commissioners wished to trace the progressive advancement of private shipping from the reign of Elizabeth, in order to shew the increase of the consumption of timber under this head ; but they found it impracticable by any other means than by the analogy which the amount of the tonnage bore to the value of the trade, and this they could not satisfactorily compare, before the commencement of the last century.

Campbell in his naval history gives the

number of merchant vessels at the death of Queen Elizabeth, as follows :—

Vessels of 100 Tons and upwards 145.

40 ditto ditto 656.

The amount of exports and imports in 1790, was more than three times as great as that for England in 1700, and of course there has been a proportional increase of shipping and consumption of Oak, which, since the loss of America, must have still more increased, as, prior to that event, many colonial ships were employed in the trade of the mother country.

The amount of the whole tonnage employed in the commerce of the kingdom was ascertained to be, on the 30th September, 1790, 1,480,990 tons ; and computing the quantity of timber in it's rough state, used in the construction of merchant ships, to be a load and a half to a ton, which applied to that quantity of shipping, gives 221,485 loads—and the

medium duration of ships being about 14 years, the annual consumption of Oak timber, under this head, will appear to be 158,679 loads.

Under the third head, "The Navy of Great Britain," the consumption of Oak has been increasing, with very little interruption, for a long series of years.

At the death of Henry the VIII. in whose reign the navy may be said to date its origin, as a royal service, the tonnage of vessels of war of all kinds amounted to Tons 12,455  
During the reign of Edward the VI.

it declined to — — 11,065  
And at the death of Mary it was only 7,110  
Elizabeth improved and extended it to 17,110

The state of the navy, during the reigns of of James I. and Charles I. has not been ascertained.

\* During the Protectorate of Cromwell, it

received a considerable augmentation, and at the Restoration amounted to Tons 57,463  
At the death of Charles the II. it was 103,558

In the reign of James, who paid particular attention to the navy, and had distinguished himself, as one of its greatest ornaments, it was rendered more efficient ; but the tonnage, at his death, was reduced to — — 101,892

King William raised it to — 159,017

At the death of Queen Anne, it had increased to — — 167,171

And at the death of George the I. to 170,862

At the accession of his present Majesty, it had attained to — 321,104

And in the 50th year of his reign, 1810, to — — — 800,000

The increase of the consumption of timber in the construction of shipping for the East India Company, has been somewhat similar to that of the royal navy.



From the date of the first charter of the East India Company, in the 43d of Queen Elizabeth, till the year 1771, the general tonnage of their shipping gradually increased. In that year it amounted to 61,000.

In 1772, an act passed, restraining the Company from building any ships, until their whole tonnage should be reduced to 45,000 tons.

This reduction being effected in 1776, the Company began again, in that year, to increase their shipping, and the whole amount of their English built ships, in 1792, was

—	—	Tons 79,913
And in 1811 is about	—	110,000

From the evidence acquired by the Commissioners, and the very clear results which they were enabled to deduce, they computed that in the year 1792, the annual consumption of Oak for the commerce of the country was

—	—	Loads 158,679
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And for the royal navy 50,542 loads ; but as the navy at this day is double the amount of what it was at that period, the quantity of timber annually consumed, may be justly estimated at — — Loads 100,000

So that the whole consumption of naval timber, in this country, for building alone was — 258,679

But superadded to this extensive consumption, must be the quantity expended in repairs, both of natural decay, and of the numberless accidents to which shipping are liable. It is difficult to estimate the quantity so expended ; but the following data will, I think, furnish results within the actual amount.

It is presumed, that a ship will require a thorough repair once in seven years, and that upon an average, for this purpose, one-fourth of the quantity of timber originally used in her construction will be ~~required~~ required. This will

be found to give above 64,000 loads septennially, or about 9,000 loads every year—to which may be again added, for repairs of accidents, at the least, 3,000 loads. The whole consumption, then, of naval timber, for building and repairing, will amount annually to the enormous quantity of 270,000 loads.

But great as is beyond all former example in any age or country, the expenditure of timber for the purposes of naval architecture, it is nevertheless true, that, to consumption alone, the scarcity of the present day is not imputable,—the Commissioners of Land Revenue, after a most laborious investigation of the subject, elucidated by a collection of valuable materials, and important testimony, deemed themselves warranted in forming a conclusion, that, in consequence of the prosperity of the country, and of its progressive advancement in population and industry, there has been, from early times, a gradual extension of tillage and pasture, and a gradual diminution of the ~~wood~~ and timber, and that

this is an effect natural to be expected in every future stage of it's improvement.

The Commissioners were also irresistibly led, by the information before them, to another conclusion; of which subsequent experience has clearly proved the force and the justice. The Commissioners formed this conclusion—that, “ If the prosperity of the country should continue, the consumption of Oak timber for it's internal purposes, and for the shipping necessary for the whole of our trade, including that of the East India Company, will, *at no very distant period*, furnish an ample demand for all that can be expected to be produced on private property in the kingdom ; and that such was the existing state of the growing timber, and the prospect of future supply, that the country would, in all probability, experience a *future* want of great timber, and become dependent on other sources for the means of supply, or if care should not be taken to provide a supply in

“ future, by the improvement and better management of the royal forests ; and to reduce the consumption of it, by the utmost care and frugality in the expenditure.”

Enough has been here quoted, from the best authorities, to shew, that the scarcity of Oak timber for shipbuilding is not an *imaginary but a real evil*, of alarming extent ; and that it is not of a temporary, but of a permanent nature—the decrease in the quantity of timber, and the increase in the demand for it, having been gradual for a length of time—indeed so great has the scarcity become, that it was lately declared, in the House of Commons, without contradiction, that there was not timber enough at Plymouth to build one ship of the line.

The fact of a scarcity being authenticated, the next consideration is the remedy to be applied. For posterity, whose interests it is our bounden duty to guard, as ours have been preserved by the wisdom of our fore-

fathers—the only great and effectual mode of perpetuating the Oak in England, is by recourse to the same measures which, fortunately, were adopted at the period of the Restoration—a general planting throughout the kingdom.

But, for the present time, many other modes have been suggested, of reducing the consumption of timber, by a more economical employment of it, by the substitution of other woods, and of iron in several parts of a ship's frame—and by so seasoning the Oak, as to render it more durable.

All these are entitled to consideration—they directly tend to a diminution of the existing evil, from a scarcity of timber used being subsidiary to the very important object of allowing the Oak to attain the age of maturity, by which posterity will be materially benefited.

The shipbuilders on the river Thames have indeed suggested another mode of remedy-

ing the scarcity of large timber for the navy, by building the ships for the service of the East India Company with timber considerably *less in size* than that used at present—but this appears to be merely putting off the evil day ; for if the large timber be now spared for the navy, and timber which has not attained it's full growth substituted for the service of the East India Company, the only resource for large timber hereafter must be considerably abridged—and we shall be transferring to after times, the inconveniences of the present day. This is a policy at the expence of posterity, which, I trust, we shall not be tempted to pursue—besides, in any view of the case, it is totally inadequate to the end proposed. The distress of the country for Oak is great, and the relief must not be acquired by means which will hereafter increase it.

The most direct, simple, and efficient mode of applying a remedy to the existing evil, is to spare the Oak, and employ other woods for those purposes to which Oak has heretofore

been appropriated, particularly to shipbuilding.

The consideration then naturally arises, if there be other woods in England, calculated for that important object.

Of all the woods in Europe, it has been ascertained that next to British Oak, and superior to foreign Oak, the larch may be ranked.

At Archangel, all the ships for the Russian navy, are built of larch, and it was formerly used for the same purpose at Naples and Venice. It has been found to resist the worm, and requires neither pitch nor paint to preserve it.

These are great qualities, and were there abundance of this valuable wood in England, it would doubtless be wise to apply it as a substitute for Oak in shipbuilding—but the quantity is known to be totally inadequate to the demand that would be made for it.



It may, however, be brought in aid of the general measure recommended, of sparing the Oak at the present time, by substituting larch in machinery of various kinds, in lighters, barges, and boats—piers, bridges, wharfs, locks, and sluices—in wheelwrights and coopers works, park pales, posts and rails, and generally in housebuilding.

Of the other woods in England some experiments have been made, during this war, particularly of fir in shipbuilding—but they were intended only as partial experiments for temporary purposes ; for the known qualities of fir forbid any reliance on it's durability.

There being then in England no wood, which approaches the Oak in fitness for shipbuilding, we must look out of England for those supplies which her exhausted forests cannot afford—and where should we so naturally direct our attention as to her own dominions. It has not, however, been till of late that this natural preference has been

Given—very large supplies have been drawn from the north of Europe. But necessity has at length compelled us to do that which a regard for our own colonial interest should long ago have taught us to adopt—and we have had recourse to our American possessions for supplies of Oak timber, inferior, no doubt, in every requisite quality, to the Oak of England, but superior to the same wood produced on the continent of Europe.

Upon the same ground of independence of foreign aid, that we seek supplies from our transatlantic dominions, it is incumbent on us, especially in a time of need, to render the vast resources of our possessions in the East subservient to the wants of the mother country.

The Teak of Western India may be obtained in abundance for all the purposes of naval architecture, for which it is known to be eminently adapted.

There is, however, one, and a very substantial objection to an importation of it into England, for the purpose of building at home, and that is furnished by the very heavy expence of freight on so long a voyage, which would render the cost of a ship dearer than the circumstances of the country could justify.

The question then resolves itself into this proposition—Shall we forego all the benefit of our Indian forests, by a determination to build no where but in England, in compliment to the interests of individuals, however respectable; or shall we avail ourselves of these valuable resources by the application of them to shipbuilding in India?

It has been asserted, that an encouragement to shipbuilding in India must tend to the injury of several of the establishments in the port of London, which have been reared at a great expence to individuals, and which in time of war have rendered im-

portant service to the state, by the numerous ships which they have built and repaired for the navy—that the loss to those who have embarked extensive capitals in these undertakings must be ruinous.

Were these to be the results of the measure now proposed, they could not be sufficiently deplored ; but even then they should be regarded as the lesser, in a choice of evils, as necessary sacrifices of individual interests to the public weal.

At Penang and Calcutta, the ships are built of Teak, which is not the produce of British territories ; but Bombay may put forth its equal claim with Canada or any other dominion of the crown of England, to the privilege which the North American States enjoyed, before their separation from the mother country, of employing their own ships in the commerce of Great Britain—and it will hardly be contended that, while ships built of Canadian Oak, and in the

Gulph of St. Lawrence, can, under the sanction of a plantation register, trade under the British flag to the ports of England, the East India Company should be deprived of the power of engaging in their own trade, ships built at Bombay, of a superior wood, the produce of Malabar.

By building at Bombay, to which my present argument is confined, the supply of shipping to the navy and to the East India Company cannot be so immediate, or so extensive, as to produce the calamitous consequences predicted by the memorialists, while the aid afforded to those great maritime interests must be considerable.

The demand on the builders on the river Thames for a renewal of tonnage to these important services, must very gradually decrease—there will therefore be many years for preparation to meet the loss of building for the East India Company, and to seek employment for their shipwrights in

other branches of the trade of the port of London, while the number of ships which they will have to construct for the navy will probably not be reduced below the standard at which they were accustomed to contemplate it a few years ago.

There will, therefore, still remain no inconsiderable share of business to the builders on the river Thames—perhaps sufficient to employ all the hands whom they include in their regular establishment.

Hitherto it has been argued, on the ground of ascertained scarcity of Oak to an alarming extent, that the resources of British India should be rendered subservient to the wants of England, and, for the reasons assigned, that they should be applied to that purpose at the port of Bombay.

The mode and extent of the application intended to be proposed, I now proceed to state, and as material to the proposition, it-

is necessary to consider the comparative qualities of Oak and Teak—or, as it has been well named by an eminent botanist, the “*Quercus Indicus*.”

It appears to be universally admitted, and certainly it is practically so, that, of the various metals in common use, iron must ever form a component part of shipbuilding—of what consequence then must it be, that the two substances, wood and iron, which are to have so close a connection, should be free from any mutually destructive qualities. Of what importance would it be, that either one or the other should possess a preservative property, which should render their union more permanent. It is a lamentable fact that the Oak, the pride and the stay of our country, contains a powerful lignic acid, that corrodes and consumes the very metal which is employed to unite and secure it, in the various forms into which it is converted for the purposes of naval architecture; and therefore to discover some means of protecting iron from the corrosive action of

the acid of Oak—and thus to encrease the durability of ships, has long been a desideratum with nautical men, and has long, but unavailingly, engaged the researches of science.

It is a circumstance too well authenticated to need proof, that Teak abounds with oleaginous particles, the best and certain defence of iron from corrosion by the action of acids.

Here then are two descriptions of wood, both calculated, by many valuable properties, for the purpose of naval architecture, but the one possessing a menstruum that, by gradually destroying the metal which connects the various parts of a ship, loosens its frame and shortens the period of its existence—and the other a preservative which strengthens the union of wood and iron, and quadruples the duration of the noblest work of human ingenuity.

Innumerable instances may be furnished in support of these facts, but one under the



authority of an officer whose professional attainments adorn the service to which he belongs may perhaps be sufficient.

Captain Wainwright, of H. M. ship *La Chiffonne*, in a letter written on board that ship in Bombay harbour, on the 29th March, 1810, observed to the author—"It is impossible to give a more substantial proof of the superiority of the Teak wood over that of any other that I have seen used in building ships, than the following, which was related to me by Mr. Henderson, the carpenter:—

"The shipwrights who are at work on board *La Chiffonne* cut out of the wales a piece of Teak plank, which had been placed to stop a short hole, *at least* eight years ago. The iron bolt which secured this piece of wood was perfectly good, in the part which remained in the Teak, and the part which had been fixed in the Oak timber totally corroded."

Oak is well known to be particularly obnoxious to the worm, whose devastations on ship's bottoms have sometimes been productive of fatal consequences, while Teak, guarded by its native oil, is never penetrated by this destructive vermin.

It is related of a shipbuilder, who had examined worm eaten ships, that he had remarked that the worm never eat within the seams where oil had been introduced with the caulking chissel—that whalers which have been attacked by the worm are never touched where the whale had lain in contact with the vessel till it was cut up—and that a plank lying under water, at a mill, had been renewed annually on account of the destruction of the worm, till at length one was put down which had been for some other purpose impregnated with oil, and it lasted for seven years.

The author has also known the efficacy of oil in destroying worm, and particularly in

a recent instance at Bombay. This destructive creature had made its way into the Company's mast house, and destroyed a considerable number of valuable fir spars. Those which had escaped the ravages of the worm were rubbed over with oil, and preserved from its further progress—and it was observed during the progress of applying the oil, that whenever it came in contact with a worm, instantaneous death ensued.

But the frequent application of such a remedy, to large bodies, must be extremely expensive, and in many situations and circumstances impracticable. How invaluable then must that timber be, which combines, with every good property possessed by the Oak, and a sure preservative of iron from corrosion, an inherent defence against the attacks of this destructive worm.

It has been urged as an objection to Teak, that it is much heavier than Oak—that the ships constructed with it draw more water

and that the superior weight in the upper works render them more crànk. This objection is founded in error. The advantage I have ascertained by many experiments to be in favor of Teak from Malabar, which, upon an average, weighs one quarter less than Oak ; while the weight of Teak from the forests to the northward of this port, and of Oak, has been found to be nearly the same.

It has also been objected to the use of Teak, in the construction of men of war, that it is particularly disposed to splinter. Those who have had most experience of this invaluable wood have always denied the solidity of this objection ; but as it has, notwithstanding, been repeated, and particularly since the Board of Admiralty most wisely adopted the measure of building men of war at Bombay, it must be satisfactory to every impartial judgment to receive evidence of the truth from an authority which it cannot fail to respect. It is, therefore, with particular pleasure that the author is enabled to give

the opinion of the distinguished officer who commanded the expedition against the Isle of France.

In a letter to the author, written on board *L'Africaine*, at sea, General Abercrombie observed, “ I can now vouch that the effect  
“ of shot upon Teak is far less dangerous  
“ than upon Oak—on board the *Ceylon*  
“ there were very few men wounded by  
“ splinters.”

From the great cause of excellence in the Teak over the Oak, by the possession of an oil instead of an acid, there results the most important consequences in the durability of ships built of this wood.

The answers given to the enquiries of the Commissioners of Land Revenue, as stated in their report to parliament, respecting the averaged duration of ships of war, fix the period for those built in the royal yards at

fifteen years, and for those constructed in the private yards, at ten years.

The same enquiries having been made as to the duration of the shipping of the East India Company, twelve or fourteen years appear to be the extent of their service.

The Commissioners observe, upon this information, that every addition to the duration of ships being obviously a proportional saving of timber, if means could be devised to make ships of war last *eighteen years*, one third part of the present consumption of the timber for the navy would be saved.

Had these Commissioners, to whose long, patient, and laborious researches the country is essentially indebted, been aware of the durability of Teak, when they attached so much importance to the devisal of means for continuing the existence of men of war to the length of eighteen years, they could not have

failed to have urged the use of it with all the weight of their experience and authority.

A vertical sun, which rends and contracts European wood, produces no injurious effect upon Teak, which exposed without defence to the greatest heat, or to all the violence of the rainy monsoon, exhibits no indication of injury or decay.

Many of the upright timbers to the old docks, for securing stages in the repairs of ships, have stood more than forty years without a coat of paint or tar for their protection, and yet are as perfect as when first erected.

A piece was taken out of a gate of one of Tippoo's forts in Canara, which had been exposed to every change of weather for more than half a century, and when brought to Bombay was ascertained to be unimpaired, with nails which had secured it quite free

from corrosion or rust, and as sound as when first driven.

The notoriety of the durable quality of Teak, and especially in climes to which it is indigenous—and the experience which has been had, in some instances almost fatal, of tropical heat accelerating the decay of Oak, forcibly suggest the policy, the expediency, and the humanity of having all the men of war employed in the East or the West Indies, and all the ships in the East India Company's service, constructed of Teak.

It would be good policy, inasmuch as a great expence would be saved—and this, when we reflect on the magnitude of the present scale of our public expenditure, is a consideration of no little importance. An idea may be formed of the extent of the saving from the following calculation.

It is presumed that the East and the West Indies, the Cape of Good Hope and the



Brazils, will require, with the *necessary reliefs*, twenty sail of the line, and fifty frigates.

Twenty sail of the line, each ship averaging 2000 tons, at 30l. per ton, will cost in England, 1,440,000l. and if three times renewed in fifty years, the expence will be..... *L.5,760,000*

Twenty sail of the line of the same tonnage, not requiring to be renewed for fifty years, will at Bombay cost, at 30l. per ton..... 1,200,000

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4,560,000

Fifty frigates, each averaging 1000 tons, at 30l. per ton, will cost in England..... 1,500,000

And if three times renewed in fifty years, the expence will be..... 6,000,000

Fifty frigates of the same tonnage, not requiring to be renewed for fifty years, will at Bombay cost, at 25l. per ton..... 1,250,000

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4,750,000

Total saving to the public, in the original cost of the hulls of the ships, exclusive of what must be saved in repairs, which cannot be calculated.....

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*L.9,310,000*

It is expedient to have recourse to India built ships for the navy, and the East India

Company, to save the British Oak, of which there is an alarming and increasing scarcity, and the following calculation will shew the extent of the saving that may be accomplished.

It has been computed by a very experienced and intelligent shipwright, the late Mr. Snodgrass, surveyor to the East India Company, that each ton, upon an average, requires a load and a half of timber.

Twenty sail of the line, each of 2000 tons, require of timber.....	60,000 loads
Fifty frigates, each of 1000 tons .....	75,000
Total saved .....	135,000 loads
The number of ships at present employed by the East India Company is about 130, con- taining about 110,000 tons.....	165,000
	<hr/> 300,000

Which renewed every  $12\frac{1}{2}$  years will expend per annum 24,000 loads of Oak timber, which, by the prosecution of building with Teak, may be saved to replenish the exhausted forests of the kingdom.

Humanity is concerned in the measure proposed, inasmuch as it will increase the safety, or rather diminish the risk to which the lives of our seamen are exposed, as well those who fight the battles of their country as those who extend it's commerce to the most distant regions of the globe.

Whatever tends to render ships more durable, must render them more secure. It has been shewn that Teak ships must be more durable than Oak, because the one possesses properties of self-preservation and the other of self-destruction. Can humanity hesitate which to prefer?

His Majesty's ship Sceptre, of seventy-four guns, Captain Bingham, which had been built in England in 1803, sailed from Bombay for England in May, 1807, and had accomplished the greatest part of her passage to the Cape, when she sprung a dangerous leak, and it was not without difficulty and incessant exertions that she was preserved from

foundering. Captain Bingham bore up for Bombay ; but such was the perilous condition of the ship, that he was under the necessity of hiring a Portuguese vessel at Mosambique, for the purpose of accompanying the Sceptre, to receive her crew in the event of the extreme necessity occurring for abandoning the ship. She, however, fortunately reached Bombay with a sail under her bottom, in the end of July ; and, when hauled into dock it was discovered that the dangerous leak principally arose from the penetration of worms in the bottom plank, about eight feet under water close to the wooden ends, where they had entirely eaten a hole about seven inches square—and in many other parts of the ship, where the copper was off, had nearly perforated the bottom, and entirely destroyed the gripe.

Many other instances might be adduced of the injury and decay to which Oak ships are exposed, and from which those built of Teak are exempt ; but the two which have

been selected are, it is presumed, sufficient to shew from what imminent perils the valuable lives of our seamen may be saved by the adoption of the measures proposed.

It has been objected to Bombay ships, that they are rudely put together—that the scantling of their timbers is disproportionately large—that they are built by the eye and not by the rule ; that, in short, they are not constructed according to the principles of science.

The last seven years have fortunately furnished conclusive answers to these objections in the beautiful and durable specimens of naval architecture, which have been supplied in that period from the dock-yard of Bombay, for the service of his Majesty and of the East India Company.

The first of these was the Salsette frigate, and, in proof of her good qualities, the author submits a quotation from a letter, dated Ply-

mouth, December 25th, 1809, from Vice Admiral Sir Edward Pellew, who, he is persuaded, will readily excuse the use here made of a private communication, since it tends to the honor of the Port of Bombay, which has been so deeply indebted to him for the protection of its commerce, and to the credit of a man to whose merits he has ever been anxious to render justice.

“ I beg to make Jemsatjee\* proud of his  
 “ frigates. The Salsette sails as well as any  
 “ of ours, stands up better under canvas,  
 “ and, had any other ship been frozen up in  
 “ the Baltic as she was, for nine weeks,  
 “ Captain Bathurst says she would not have  
 “ stood the buffeting of the ice one day,  
 “ whereas the Salsette came off unhurt. It  
 “ was wonderful the shocks she resisted during  
 “ heavy gales.”

After the completion of the Minden,

\* Master Builder, vid. Appendix, No. 1.

seventy-four, the author considered it his duty, on surrendering his charge to the Naval Commissioner, to request his professional opinion of the first ship of the line ever built for the navy out of England—and Mr. Dundas favored him with the following satisfactory answer :—

“ In replying to your letter of yesterday’s  
 “ date, wherein you request I would state  
 “ my opinion of the construction and finish-  
 “ ing of H. M. ship Minden, I beg to say,  
 “ that on my arrival here, in May, 1809, I  
 “ visited the Minden with an earnestness and  
 “ carefulness of enquiry, that I considered  
 “ due to the undertaking ; at the period  
 “ of forwardness I first viewed the ship, her  
 “ principal timbers were all open to inspec-  
 “ tion ; with such timbers I could not but  
 “ be highly delighted, as certainly very  
 “ many of them I have not seen equalled  
 “ in the building of any ship in England ;  
 “ the mode of securing the beams by dove-

“ tailing them into strong clamping planks  
 “ (a method not used in the King’s yard)  
 “ gave me much satisfaction, as much  
 “ strength is thereby given to the ships.  
 “ As the work was carried on towards com-  
 “ pletion, I continued daily watching the  
 “ progress, and must declare was at all  
 “ times pleased with the solidity of the work,  
 “ as well as with the manner of its being put  
 “ out of hand ; and I can have no difficulty  
 “ in giving it as my opinion, that she will be  
 “ found to be as well put together, and as  
 “ highly finished, as any ship built for the  
 “ British Navy.”

“ I can only add my hopes, that while the  
 “ Minden remains a proud proof of what may  
 “ be expected from Bombay, she will add  
 “ to that credit the builder has already gain-  
 “ ed in the opinion of those who, having  
 “ had opportunities, are capable of setting  
 “ a just value on his abilities.”

To command this noble man of war, and



to try the merits of the first experiment of an Indian built ship of the line, Captain S. W. Hoare was selected by the Commander in Chief; and the following comparative statement of the properties of the Russel, which had long been a favorite in the navy, and particularly with the late Admiral Drury; and of the Minden, which had been fitted for his flag, was obligingly furnished to the author by Captain Hoare.

#### RUSSEL.

In smooth water with all sail set, on a wind will go from five to eight knots, but not stiff.

With top-gallant sails and much sea, will go from three to five knots, according to the swell; she plunges a great deal, and carries her helm a turn a weather.

Under her topsails behaves much the same, will stay under them in smooth water, and veers and stays well.

#### MINDEN.

In smooth water with all sail set, on a wind will go from seven to nine knots, and does not complain with this sail.

Under top-gallant sails, and with much sea, will go from five to seven knots, according to the swell; and very easy; she carries her helm half a turn a weather.

Under her topsails behaves much the same; will stay under them in smooth water, and veers and stays well.

## RUSSEL.

With the wind from one point, ~~free~~ to a beam, will go seven or eight knots. Her best sailing is with the wind abaft the beam; she will go eight or nine knots.

Before the wind she rolls easy; she carries her lower deck ports badly.

Height of ports when stowed for 6 months.

	F. I.	
Fore port .....	5	5½
Midship .....	4	3½
After .....	4	11½

## MINDEN.

Her best sailing is before the wind; she will then go nine or ten knots; she rolls easy, and carries her lower deck ports well.

Height of ports when stowed for 6 months.

	F. I.	
Fore port .....	6	3½
Midship .....	4	9½
After ditto.....	6	1½

With such specimens of men of war as are exhibited in the Minden and Salsette, and in the Doris too, which, though not so fast a sailer as some of the frigates of the squadron, yet abounds with other good properties, to which her commander, Captain Cole, has frequently borne testimony, every inducement is supplied to render this great naval arsenal conducive to the augmentation of the British navy, and no less encouragement is furnished to the East India Com-

pany to prosecute shipbuilding for their own service in this their own dock-yard, by an inspection of the *Charles Grant*, the *Earl Balcarras*, and the *Abercromby*, which are universally pronounced to be the finest merchantmen in the world, and with which the Herefordshire, in the course of a year, may be classed as a rival in stability of construction and beauty of form.

In the two dock-yards of this port there is capacity for building at the same time two ships of the line, two frigates, and a large and a small Indiaman, the whole of which, by a proportionate increase of the establishment of artificers, easily effected, may be completed within the period of eighteen months; so that, in the course of fifteen years, the British navy may receive an addition of twenty seventy-four's and twenty frigates, calculated to last in substantial condition for half a century.

Although some instances of the durability

of Teak have already been noticed, it may be here proper to state a few striking proofs, that the estimated extent of the durability of ships constructed with that unequalled wood, has not been the result of light conjecture, but of a fair application of precedents, furnished in times when the noble art of shipbuilding had not attained the perfection at which it has now arrived, and which superadds the strength of scientific construction to the natural advantage of the wood.

'The present Turkish flag ship at Bussorah, was built by Nadir Shah, before his march to Delhi, and therefore, at the latest period, in 1738 ; about eight years ago this ship was in dock at Bombay for repairs, and her timbers ascertained to be perfectly sound.

Mr. Nicholas Hankey Smith, the Hon. Company's Resident at Abooshiher, states, that during his late residence at that place, he saw one of the Teak vessels built by or-

der of Nadir Shah (which, he was informed, had been upwards of twenty years under water), broken up, and the plank and cotton in her rabbit work appeared to him as fresh as if the ship had been recently built.

It may be proper to notice that this vessel had been sunk by the Arabs, who were compelled by the Persians to serve as part of her crew.

The ship Hercules, of 485 tons, was built here in 1763, and constantly employed in the trade of this port, till 1805, when she was captured off the Cape in her voyage to Europe. When she sailed from Bombay she was in a perfectly sound condition, with every appearance of ability to double the course of time she has already so actively run.

The ship Milford, of 679 tons, and belonging to this port, was built in 1786, and after constant employment in the trade to

China, and occasionally to Europe for twenty-four years, received her first thorough examination in 1810, when it was not found necessary to shift a single timber—and the whole expence of her repairs, including a new set of chain plates, amounted only to 1000*l*.

It is also worthy of remark, that the same Teak mainmast which she had when she first went to sea, continued in her for one and twenty years, and then being partially sprung, was converted into a mainmast for a smaller vessel.

The stock of timber and plank at Bombay, the gradual collection of years since the first order to build men of war in 1802, is equal to three years' consumption; and, by systematic arrangements in the forest department, now one of the principal branches of the public service, will be annually replenished from Canara and Malabar. Some of the forests abound with the largest Teak,

straight and curved; in others, more contiguous to the sea-coast, great devastations have been committed by the timber merchants, who till lately were under no check or control; but by judicious regulations, which prevent the felling of young trees, and secure a replantation of the naked tracts, these valuable provinces will, in a few years, contain inexhaustible resources for the dock-yard. In the mean time they are fully equal to answer any demand which ship-building to the utmost extent proposed can possibly create.

In addition to these resources from the southward, an annual supply of compass timber is procured from the country to the northward, between this port and Surat, where a regular trade has been established, employing considerable capitals, and several thousands of the native population.

This trade, so valuable in a public point of view, owes its rise to the zeal, activity,

and influence of Lowjee, the founder of the dock-yard at Bombay ; who naturally sought the necessary materials for supporting his infant establishment, and improved the means of acquiring them to his successors, who have extended what he had so laudably and so fortunately commenced ; and in particular, his grandson, the present master builder, to the weight of whose personal character is to be attributed the revival of this important branch of the timber trade, after a long suspension, in consequence of a cessation of building, which enabled the marine department to effect the early completion of the *Minden* and the other ships which have been described, and which will render the construction of the *Cornwallis* seventy-four, just laid down, and the prosecution of future shipbuilding, a task comparatively of easy execution.

It remains to state briefly the capacity of the dock-yards for building so many ships at the same time, and the means to be em-



ployed. It is proposed that the two seventy-fours shall be constructed in the two new docks; which have been formed for the reception of that number of ships of the line of the largest class.

These docks, the ornament and the pride of Bombay, are the fruits of the science and genius of Major William Cowper\*, of the engineers—they are the theme of admiration of all professional judges from Europe, and objects of wonder to the natives of this country.

The whole are built of granite—the piers are constructed with vaulted arches, and each stone is dovetailed into the other.

They promise to be lasting monuments of the British power in India.

The two frigates may be built on slips in

\* Vide Appendix, Nos. 2, 3, 4.

the dock-yard at Bombay, the large Indian in the upper old dock, and the smaller one on a slip at Mazagon.

By this arrangement the middle and lower old docks will be left for repairing ships. These docks are certainly in a very dilapidated state, and every year of delay in repairing them, must add to the difficulty and the expence. Whenever that work, which sooner or later must be accomplished, shall be undertaken, it is to be hoped that it will be committed to the experience, the science, and the taste of the eminent architect of the adjacent new docks, by which durability will, as much as possible, be communicated to works originally executed upon no principles of architecture, and some degree of uniformity of appearance given, to which a dock-yard of such national utility and rising importance is so fully entitled.

With respect to the establishment of shipwrights for executing the great undertaking

to build so many ships, it may with truth be said, that the many noble works of his hand sufficiently prove that the ability of the master builder, Jemsatjee Bomanjee, is fully competent to the task, while the unextinguishable zeal, which, after a laborious service of forty years, still animates him to extraordinary efforts wherever the public interests can be promoted by his exertions, affords a certain pledge that the duty will be performed. To assist him in his important duties Jemsatjee has his son Nowrojee, a worthy descendant of his venerable father, and several young men of the different branches of his family ; and to execute the mechanical part of his respectable and important office, he has about a thousand workmen of various descriptions, whose numbers may be increased or diminished at pleasure.

Such are the means which Bombay commands of contributing to the strength and durability of the British navy, and the com-

mercial prosperity of the East India Company.

Her docks are easy of access, and capacious ; her shipwrights are experienced, and have approved themselves skilful, and her timber possesses the singular virtue of self-preservation.

By the liberal substitution of this incomparable wood in the construction of ships, the most important interests will be secured, by the saving of millions in expence ; and, what is still of more consequence, even by the durability of our ships, and by the preservation of the lives of thousands of our gallant seamen.



## APPENDIX.

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### NO. I.

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EXTRACT OF A LETTER FROM THE SUPERINTENDANT  
OF THE MARINE TO THE HONORABLE THE GOVERNOR  
IN COUNCIL, AT BOMBAY, DATED SEPTEMBER 28th,  
1810.

PARA. 20th. Prior to the year 1735, there was no dock-yard at Bombay. Surat was the principal building place on this side of the Peninsula, and it may be said in all India. In that year, Mr. Dudley, the master attendant, was sent by the Government of this Presidency to Surat, to agree with the builder there, Dhunjeebhoy, to build a ship for the H. C. service, to be called the Queen.

21st. In the construction of this vessel Mr. Dudley was so much pleased with the skill and exertions of the foreman, Lowjee Nassurwanjee, that after the launch he endeavoured to persuade him to proceed with some artificers to Bombay, where the Government were desirous of establishing a building yard; but his fidelity to his engagements would not allow him to yield to Mr. Dudley's solicitation, till his master's consent could be procured. This was at length obtained with great difficulty, and in the year 1735, with a few shipwrights, Lowjee arrived at Bombay, and selected for the place of his future operations a small part of the present dock-yard, which was then occupied by the dwellings of all

the principal officers of the marine, the habitation of the Lascars, and by the common jail of Bombay. The avenues to these buildings rendered the yard open to the public; but, on the other hand, it may be observed that the residence of the officers of the establishment on the spot, afforded a security to the property deposited there.

22d. At that time there were so very few materials for building, there being no mart for timber at Bombay, that Lowjee was sent by the Government a year afterwards to the northward to establish a trade with the natives concerned in the forests, and was desired to bring with him, on his return, the whole of his family, and permanently settle them at the Presidency.

23d. Having succeeded in his engagements with the timber merchants, and procured a sufficient supply of materials for the commencement of shipbuilding, he was employed in the construction of cruizers for the H. C. marine, soon afterwards in building vessels for the trade of the port; and so much was his work approved of, that H. M. ships were sent here for repairs.

24th. As shipbuilding increased with the prosperity of the place, in the year 1754, the Superintendant of the Marine proposed the construction of a dry dock, which was acceded to by Government, and with the assistance of Lowjee, it was completed for the moderate sum of twelve thousand rupees.

25th. This proved a great acquisition to the yard, as it necessarily attracted the shipping from the other side of the peninsula to seek those repairs at Bombay which they could not procure elsewhere.

26th. Lowjee encouraged by the success of his undertaking, and the countenance of Government, brought up two

of his sons (Monackjee and Bomanjee), to his own craft, and by his instructions rendered them so proficient in naval architecture, that by their united exertions the reputation of the Bombay dock-yard became universally known in India, and their business was so much increased, that in the year 1760 it was found necessary to construct another dock.

27th. Upon this occasion the Honorable Court expressed it's conviction of the great utility of the first dock, not only for their own ships, but as it had brought a considerable trade to Bombay, by the means it afforded of repairing the shipping of Bengal, and of the other parts of India, and therefore cordially acquiesced in the proposition of building another.

28th. The abilities of Lowjee in his profession, and his great integrity in the purchase of materials for shipbuilding, had now in more than one instance attracted the particular notice, approbation, and reward of the Honorable Court; but his skill and exertions in repairing H. M. squadron about this period, called forth their distinguished commendation, and they emphatically say—"That such essential services should not be passed over without some particular mark of their favor," which the Government were directed accordingly to confer.

29th. So rapidly did the dock-yard advance in importance, that soon after the construction of the second dock, it was deemed expedient to have a third; and the Court of Directors, gratified by this proof of the prosperity of the port, gave it their ready sanction, and in consideration of the services of Lowjee and his two sons, approved of an augmentation to their pay.

30th. The increase in demand upon the dock-yard to build and repair ships, particularly to refit those of H. M. squa-



dron, which, before the docks were constructed, were obliged to heave down at Hog Island, rendered necessary an enlargement of the limits of the yard, and the Court of Directors, in the year 1767, expressed their conviction of it's necessity; but the jail of the town, and the officer's houses still rendered the space for the reception of timber extremely confined, while from these causes the dock-yard continued very much a thoroughfare.

31st. Grateful for the favors and support which he had received from the Hon. Company, Lowjee resolved to bring up another generation of his family in the same creditable line; and in 1771, a few years before his death, he introduced into the dock-yard his grandsons Franjee Monackjee and Jemsatjee Bomanjee, but, determined that they should not eat the bread of idleness, he made them work as daily carpenters at 12 rupees per mensem.

32d. In 1774 this most respectable man and upright servant of the Hon. Company died, leaving no other property, after a service of 40 years, than his dwelling-house in the bazar, and about 20,000 rupees in cash; but he left what was of far greater estimation with his family, a rich inheritance of ability, industry and integrity, which they have preserved unimpaired to the present day.

33d. The venerable founder of this dock-yard was succeeded by his two sons, Monackjee, as master builder, and Bomanjee as his assistant, who conducted the business of building and-repairing with undiminished credit.

34th. In reward of the merits of these worthy sons of Lowjee, the government awarded, and the Court of Directors in 1776 approved of an increase to their pay; and to the elder Monackjee, the Court directed a silver rule and a shawl to be presented in their name, as a testimony of their

approbation of his past services, and to "encourage him to behave with the same diligence and fidelity as his father."

35th. Bombay had now acquired the consideration of a great naval arsenal; and during a very arduous period of war, the fleet under the command of Sir Edward Hughes was frequently docked and repaired by Monackjee and Bomanjee, who also constructed two ships of 900 tons each, for the service of the Company. Bomanjee died in 1790 in debt, and Monackjee in 1792, leaving a slender provision for his family.

36th. They were succeeded by their sons Framjee Monackjee and Jemsatjee Bomanjee, who have, particularly the latter, constructed ships of a much larger class than any of their predecessors, and have been constantly employed in repairing H. M. squadron.

37th. The reputation of Bombay built ships at length very forcibly attracted the attention of the Lords of the Admiralty, who having seen and admired the Cornwallis, a frigate of 50 guns, built at this port, and now in H. M. navy, in 1802 determined upon the construction of men of war in India.

38th. It was at first suggested to their Lordships to send out an European builder and shipwrights, but one of the Board of Admiralty (Sir Thomas Trowbridge), who was intimately acquainted with the character and merits of Jemsatjee, pledged himself to the King's Government, that he would build not only frigates, but ships of the line, to their perfect satisfaction, without the intervention of European direction or aid.\*

\* Vide Appendix, 5, 6, 7.

39th. Orders were accordingly issued for the construction of two frigates and a seventy-four.

40th. The masterly execution of these orders have nobly redeemed the pledge which that distinguished Admiral gave in England. The frigates, of 36 guns each, have been highly approved of, and the seventy-four rides in this harbour, a proud monument of Jemsa'tjee's skill in naval architecture, and the admiration of all professional men.

41st. The great increase of work of the establishment of shipwrights, and of the collection of timber, rendered the extension of the dock-yard premises indispensably necessary ; and the erection of another jail beyond the limits of the town, and other arrangements, in the year 1805, presented a favorable opportunity of accomplishing this desirable object. In consequence the prison, and various other old buildings which could be dispensed with, were removed, the whole yard completely enclosed, and regulations put in force to prevent the resort thither of any other boats than those of the navy and the Company, and of the ingress of people through the gates, whose business did not justify their appearance in the yard.

42d. To provide the public with adequate accommodation, in lieu of the convenience of which they were deprived by an exclusion from the general use of the yard, a pier was ordered to be constructed to the southward of the saluting battery, which is now complete, with two very commodious stairs, and universally frequented.

43d. Great as had been the improvements of the dock-yards from time to time, yet the still rising importance of this place as a naval arsenal called for further means of meeting the demands of the public service, and in 1805 it was resolved to construct two additional docks, one for the

purpose of building, and the other for that of repairing the largest men of war which are ever sent to the Indian seas.

44th. These docks (executed by Captain Cowper\*), in one of which the *Minden*, 74, has been built, are now finished; and for the beauty of their form and proportions, the durability of the materials with which they are constructed, and the perfection of the work, are allowed by all competent judges to constitute a *chef d'œuvre* in architecture; unrivalled by any similar works in the British dominions.

45th. From this rapid sketch of the history of the dock-yard of Bombay, traced through a period of seventy-five years, it will be seen, that from an insignificant spot where the most trifling vessels were repaired, it has by slow degrees, and the vicissitudes of an age, attained to a degree of eminence which may be the just boast of this government.

46th. At the head of the building establishment is Jemsatjee Bomanjee, his predecessor having died without a rupee in 1804.

47th. There are now in a course of construction two ships building, with the intention of being offered for the service of the Hon. Company, one of 1400 and the other of 1200 tons, and an expectation is entertained that orders will be received to build another ship of the line.

48th. For the valuable services which Jemsatjee has rendered to the Hon. Company and to the navy, he has received numerous testimonies of approbation and applause from the Hon. Court and this Government, from the Admiral and every Commander in Chief in India, tributes to his integrity as much as to his talents.

\* Of the Engineer Establishment at this Presidency.

1  
**APPENDIX.**

49th. To perpetuate so fair an inheritance in a family which, through three generations, have exercised it so much to the public advantage, the fourth from their ancestor Lowjee are now pursuing the profession of their fathers, and so long as they continue to follow the great example before them, no well wisher to the interests of this flourishing settlement would desire to supersede them by European shipwrights.

**NO. II.**

**TO WILLIAM COWPER, ESQ. CAPTAIN, ENGINEERS,  
&c. &c. &c.**

**SIR,**

On the subject of the Bombay docks I have no hesitation in declaring it to be my firm opinion, that the new docks constructed, and lately finished under your sole and immediate directions, are equal to any work of the kind I have seen, or that I believe is to be found in England; whether we consider the form of the dock, the solidity of the materials, or the elegant manner the masonry and the whole of the work is put out of hand—which, I doubt not, will long remain a proud memorial of the abilities of the engineer, as well as the great labour he must have undergone to produce such a work with such workmen.

I am, Sir,

With much respect,

Your most obedient Servant,

(Signed) **GEO. DUNDAS, Com. Navy.**

*Bombay,*  
**30th July, 1810.**

## NO. III.

CAPTAIN WILLIAM COWPER, ENGINEERS, BOMBAY.

SIR,

We are just honored with your address of this day's date, requesting our opinion relative to the docks lately finished under your directions.

We have much pleasure in bearing our testimony in favor of this work, and we shall be happy if it should at all conduce, as you imagine it may, to your benefit.

In our opinion the Bombay docks stand inferior to none we have ever seen in point of accommodation or construction, and must be deemed superior to most in the very lasting materials with which they are built, and the very judicious manner in which the principal and exterior blocks of stone are so locked into each other as to bid defiance, as much as human power can do, to the effects of time and injuries by accident.

The extreme difficulty of the task, the numerous obstacles encountered, and the exertions requisite to surmount them, have been witnessed by some of us, whenever our duty has called us to the Presidency; and we conceive it reflects as much credit on your zeal and exertions as on your abilities to have perfected a work of such magnitude and national importance, with such slender hands as those of the ignorant and prejudiced natives of this country.

We have the honor to be,

*Bombay,*

Sir,

1st August, 1810.

Your most obedient servants,

(Signed) H. LINDSAY.

M. CRAIG.

W. S. CLARKE.

SAM. LANDON.

H. M. SAMSON.

ROBT. WELBANK.

J. HAY.

WM. YOUNGHUSBAND.

## NO. IV.

**CAPT. WILLIAM COWPER, BOMBAY ENGINEERS, &c. &c.**

**SIR,**

It has been impossible for the merchants of Bombay to view, without the most lively interest, the institution and progress of the great works accomplished by you in the dock-yard at this Presidency, which, while they afford facilities towards the construction and repair of H. M. navy, which no British port out of Europe can boast, must essentially contribute to the accommodation of our shipping, the means of which have hitherto borne no proportion to the commerce of this settlement.

We feel gratitude for the success of your persevering labours, combined with admiration of the consummate skill which appears to have been displayed in the construction of two docks, capable of containing the largest ships of the line, which, whether the durability of their structure, or the beauty of their form and proportions be considered, we believe no works for similar purposes in any part of the world can excel.

In token of these sentiments, we have sincere pleasure in congratulating you, on the completion of this magnificent undertaking, so important to the naval and commercial interests of the east; and as commemorative of the sense we entertain of your eminent public services, we request you will do us the honor to accept a vase of the value of two hundred guineas.

We have the pleasure to subscribe ourselves, Sir,

Your most obedient servants,

(Signed)

**FORBES & Co.**

**BRUCE, FAWCETT, & Co.**

**SHOTTON, CALDER, & Co.**

**BRISCOE & BEAUFORT.**

**JOHN LECKIE.**

**DE SOUZA & Co.**

*Bombay,*  
*Sept. 28th, 1810.*

## . NO. V.

EXTRACT OF A LETTER FROM REAR-ADMIRAL SIR THOMAS TROWBRIDGE, BART. TO JEMSATJEE BOMANJEE, MASTER BUILDER, AT BOMBAY, DATED ADMIRALTY, 30TH MAY, 1802.

Although you have forgot me, I well remember you, and have ever been forcibly struck with your abilities, and I have *pledged myself* that you will build us a 74 gun ship, and a frigate, which shall be a *pattern* to an English *builder*. I have no fear but you will fully justify my assertion; long before this reaches you, the draft for building will have been presented, and I hope begun upon. I am aware it will require your influence to prevail on the artificers to reside on Butcher's Island, but you can easily accomplish it—the firm attachment all casts have to you and your family, insure success.

## NO VI.

EXTRACT OF A LETTER FROM REAR-ADMIRAL SIR THOMAS TROWBRIDGE, BART. TO JEMSATJEE BOMANJEE, MASTER BUILDER, AT BOMBAY, DATED ADMIRALTY, 14TH JUNE, 1802.

I am favoured with your letter of the 12th December, but the one of the 15th November has never reached me. You will find I had anticipated your wishes respecting the building men of war in Bombay, and the plans must have long since been in your possession, having been forwarded by the Company's overland dispatch. I had also written you on the subject, pledging myself for your ability and exertion, and that I was sure the ships you built would be models for our people to copy from. In short, I said every thing in my power which your merits richly deserve, and any thing I can do for you, or your family will give me great pleasure.



Pray let me know how many ships of the classes you now have plans for can to a certainty be built for us annually? Timber I presume can now be had in abundance from Tippoo's country, as well as Poon, for temporary masts to navigate them home.

Mr. Dundas is not yet arrived in England; any assistance I can render your family with the Company will give me great pleasure. I sincerely hope the Cornwallis will soon be home, that our builders and surveyors may have ocular demonstration, though they appear perfectly satisfied with, from what I have told them; as a proof they have not sent any one out to superintend the work, having a thorough confidence from my statement of your ability and integrity to perform the work well, and of the best materials; be assured you will have every support from the Admiralty.

## NO. VII.

EXTRACT OF A LETTER FROM REAR-ADMIRAL SIR THOMAS TROWBRIDGE, BART. TO JEMSATJEE BOMANJEE, MASTER BUILDER, AT BOMBAY, DATED ADMIRALTY, 16TH NOVEMBER, 1803.

I am very anxious to hear you have begun our two ships; I am deeply pledged for your ability and exertion, and I know you will do all that is possible to meet the wishes of the Company and British Government, and be assured you will be rewarded. We have numberless offers of building at Bengal line of battle ships, but I have no opinion of the people, who are to perform the work, or the Pegu Teak; I therefore rest entirely on you; I have seen and know you are fully equal to it, and I have pledged myself you will produce ships that will eclipse those built in England.

## THE HONORABLE JONATHAN DUNCAN, GOVERNOR IN COUNCIL, BOMBAY CASTLE.

HONORABLE SIR,

During the period in which I have had the honor to command His Majesty's squadron in India, which now embraces a space of nearly ten years, I have necessarily had frequent occasion to visit your Presidency as the only station to which the naval force in this country can resort, with a certainty of deriving a prompt and ample supply of those manifold and extensive wants which the nature of the maritime service at all times requires.

In bearing a due testimony to the zeal and alacrity which have distinguished those departments under your Government, with which my situation has led to frequent and important intercourse, it may, I trust, be permitted to me to bring more pointedly to the notice of your Honorable Board, the very able and meritorious assistance at all times derived by my squadron from the exertions of the builders department, under the immediate management of Jemsatjee Bomanjee and Franjee Maneckjee, and their sons Nowrojee Jemsatjee and Nowrojee Franjee.

It is wholly unnecessary for me, Honorable Sir, to enlarge on the great ability displayed by those men (but particularly Jemsatjee Bomanjee), in the various branches of their professional duties, or to state to you their value to this most important naval station, as the numerous specimens they have already exhibited of their talents in the science of naval architecture will always form their best panegyric. I cannot, however, pass over, unnoticed, a further essential merit they possess, and which with those who have had less occasion than myself to view them in the discharge of their duties, might frequently not attract particular notice. I al-

lude to their indefatigable zeal, activity and perseverance on those occasions where the nature of the service has called for more than ordinary energy and exertion on their part; and I can with truth assert, that their conduct has not only claimed my highest approbation, but likewise been productive of a great national benefit.

Thus impressed with a sense of the important assistance rendered by these men to the naval department in India, I have already borne testimony thereof in my correspondence with the Honorable the Lords Commissioners of the Admiralty. I also feel it a duty incumbent on me to recommend them to the particular favor and protection of your Government, and to suggest the policy of conferring on them some public mark thereof, as a distinction that may at once prove gratifying to themselves, as well as the means of securing a continuance of their fidelity and attention to the duties of their departments. If I may be allowed to point out in what manner this distinction could be most effectually bestowed, I would recommend that government should assign to them a small portion of batty ground, either on this island or that of Salsette, to be considered as an hereditary possession, which I have reason to believe, would be received by them as a very flattering and honorable assurance of the countenance and approbation of Government.

I have the honor to be,

Honorable Sir,

Your most obedient, humble servant,

(Signed) PETER RAINIER.

*Trident, Bombay Harbour,  
the 12th Feb. 1804.*

FINIS.





